







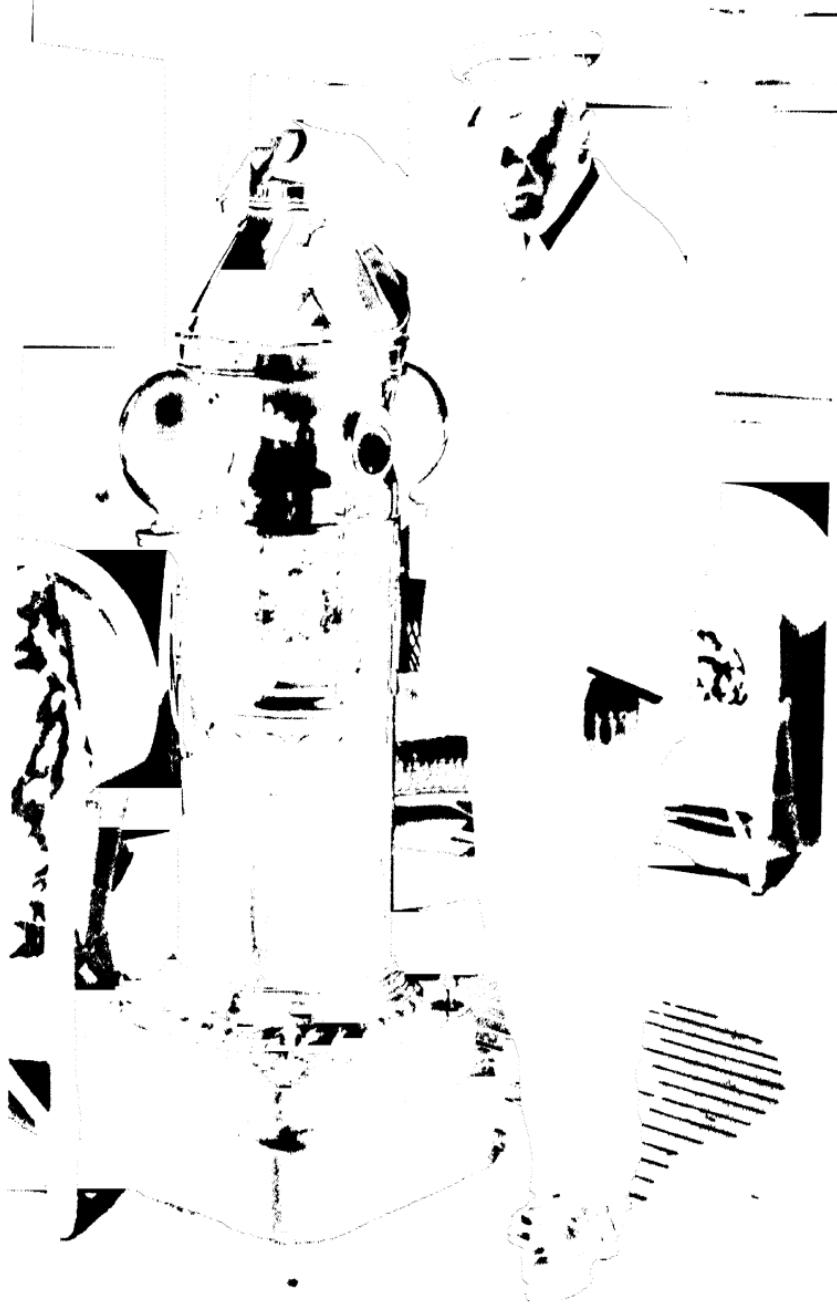








**JAMES LYLE MACKAY  
FIRST EARL OF INCHCAPE**



ON BOARD S.Y. ROVER

JAMES LYLE MACKAY  
FIRST EARL OF INCHCAPE

BY

HECTOR BOLITHO

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To

JEAN, COUNTESS OF INCHCAPE,

with the author's gratitude for  
her patient help and in recollection  
of her devotion to the subject of  
this book.



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So many people have helped me in writing this book that it would be impossible for me to make a list of them. Their willingness has been a tribute to the memory of my subject.

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H. B.



*By the East of the Isle of May, twelve miles from all land, in the German Seas, lyes a great hidden rock called Inchcape, very dangerous for navigators, because it is overflowed every tide. It is reported in old times upon the said rocks there was a bell, fixed upon a tree or timber, which rang continually, being moved by the sea, giving notice to the saylers of the danger. This bell or clock was put there and maintained by the Abbot of Aberbrothock, and being taken down by a sea pirate, a yeare thereafter, he perished upon the same rocks, with ship and goodes, in the righteous judgment of God.*

Stoddart's Remarks on Scotland.



## INTRODUCTION

NOTIONS ABOUT THE WRITING OF BIOGRAPHY HAVE changed in the last twenty years and so many essays have been written on the craft that I feel obliged to begin this book with an explanation. The day of the ponderous four-volume biography is over. In the twentieth century we have illusions about the value of time and we imagine that we cannot spare the long hours needed to read Lockhart's *Life of Scott* or Monypenny and Buckle's *Earl of Beaconsfield*. We now demand one slim volume which we can read in a night : a book in which the biographer seeks the motives of his subject rather than to set down a long record of his acts.

The perspective of centuries aids the modern biographer in his work of making his hero alive, within the limited space of one volume. Samuel Pepys, Charles the Second and Cromwell are tangible to us, when we see them at the far end of the avenue of time. Confusing and extraneous details are erased and lost in the distance. But when we are considering the life of a man who is almost our contemporary, the near view is perplexing. It is as if we were asked to appreciate the proportions of St. Peter's while standing on its own broad grey steps.

In writing the life of a man like Lord Inchcape one begins under the fear of defeat. A hundred interests and ten thousand documents seem to obscure the central,

## *Introduction*

dominant figure. His rivals are alive to suspect one's efforts to prove him kindly and just. His friends are alive to resent any suggestion that he was callous in his business life. One is therefore tempted to evade issues, making a non-committal record of his career and leaving the more subtle aspects of character and human nature alone: to gather together a record of the man's actions, in the Victorian manner, rather than attempt an explanation of his motives. But this is not enough. One is obliged to essay a portrait and not merely a photograph of a man who still stands so near to us that we do not see him clearly.

Lord Inchcape was often described as a ruthless man. Many magnates of undistinguished origin, who achieve honours and success, seem to suffer from this accusation, and they are forced to pay for their ambitions by ending in a state of glorified loneliness.

A foolish legend gathered about Lord Inchcape's name: that he had "risen from nothing." The newspaper-boy who becomes a peer and the prince who becomes a pavement artist are lively figures in the public imagination. The biographer has no such melodrama upon which to hang his record of Lord Inchcape's busy life. He was a careful, educated Scotsman, tenacious and physically strong. His last illness was the only serious one in his life. He belonged to the middle class. Being a Scotsman of the old school, James Mackay did not have a middle-class mind. He had character and integrity, but no pretensions. Excepting one family tragedy towards the end, his life was orderly, his talents amazing but obvious and his emotions

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apparently under iron control. He did not strike attitudes or make the "scenes" which are tantalizing to a writer and such rich grist for his mill.

If, as biographer, I may be allowed to intrude with a personal motive, I must plead that this has been a difficult and bewildering book to write. There were few high lights to illuminate my task. I could not build a monument to a man who had wrestled with the angels, or to a martyr, like Disraeli, who had braved the derision of the masses. Instead of a monolith, I have tried to make a mosaic, diligently bringing together the pieces of information about my subject, who turns out to be a normal, phlegmatic Briton, whose life was successful from the beginning almost to the end.

This has not been my only difficulty. The "pieces of information" have been comparatively few in spite of the thousands of impersonal documents which Lord Inchcape left behind him. Lord Inchcape used the telephone, over which his most important conversations were lost; he kept no diaries and he travelled from place to place so readily that letter-writing was made less necessary to him as transit was quickened. The absence of vital documents in Lord Inchcape's archives suggests a great problem for biographers of the future. When they wish to write the *Lives* of the leaders of to-day, they will find comparatively little material from which to weave their stories, because of the dearth of letters and diaries and the loss of important conversations over the telephone wires. Our diplomats fly from country to country in a few hours and the writing of letters is made less and less necessary. There are no

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immense files of papers to record the affairs of our time, as there were for great occasions in the last century. The Victorian fashion for "putting it in writing" made it easy for the biographer to gather his records together.

This problem of the biographer of the future has been revealed to me through my own experience. Seven years ago I began to collect the material for a *Life* of the Prince Consort. Among the unpublished documents which fell into my hands were several hundred letters written by Prince Albert to his brother. They were preserved in the archives, in Coburg, and had been overlooked even by Martin, who wrote the official *Life*. With the exception of one gap of eleven months, they covered the incidents of the Prince's years in England, from the day of his arrival until a few weeks before he died. Tracing the growth of his character through this record of twenty-odd years was an adventure which may be appreciated only by those who have already searched for facts among old papers.

When I began to write the biography of Lord Inchcape I found frightening gaps in his records—gaps which I could not fill and which are unfortunately apparent in this biography. They could have been filled only by invention. I take one experience from his life to illustrate my problem. One of the most interesting services in Lord Inchcape's career was the post-war sale of enemy ships. He had already disposed of almost two hundred standard ships for about £35,000,000, at a cost to the country of about £850. He then sold 418 enemy steamers of 2,500,000 tons. Some of us are inclined to skip statistics when we read

## *Introduction*

and I felt that the importance of Lord Inchcape's enterprise would not be realized without a record of the conferences and bargaining which were involved. But the story was lost. Some of the purchasers, who signed cheques for millions of pounds, had been able to fly across the channel and "talk it over" in Lord Inchcape's office. Others had been able to telephone from Liverpool, or, because of the motor car, they met him for luncheon, although they lived far away. The only documents which survived were the formal report of the sales and a file of perhaps fifty letters. The romantic story of the biggest shipping sale of history could not be adequately written, for want of material. In five hundred years Lord Inchcape's gesture in disposing of tonnage equal to the combined fleets of the P. & O. and the British India Company might provide a chapter as interesting to our descendants as the pages of the Fugger News-Letters are picturesque to us. But the telephone, the aeroplane and the motor car made it impossible for me to write more than a page or two about an achievement which would have filled twenty pages of a Victorian biography.

I wish to make a record of my approach to the task of writing this book, so that my readers may travel with me from the beginning. I was crossing the Indian Ocean when the wireless message came to me, asking me to write the official biography of the first Lord Inchcape. I was travelling in one of the steamers of his company, and as I had never even seen him, I began to ask questions of those about me. I found the senior officers on the ship eager to tell me that he was a "just" man : that he had been con-

## *Introduction*

siderate and grateful when work was done well. But, they added, "he was a hard man." A relative of Lord Inchcape wrote to me : "In business he was as hard as nails and it was owing to this that he made his mark. Quick decisions, which were *final*, no sentiment and absolutely no use for slackers in *his* world. He did a tremendous lot for boys and young men to help to start them in life, but they *had* to work, as he did himself." The ship's barber and the steward who had once attended him did not agree with their superiors. If Lord Inchcape was ever a tyrant to his equals, he enjoyed the rare distinction of being a hero to his valet. Humble people spoke of him with affection. He had talked to them : he had asked them questions about their private lives and he had always remembered them.

When I went on shore in Bombay, I met the oldest servant in the employ of Messrs. Mackinnon Mackenzie and Company. He was a Hindu, bent and gnarled, with a wagging old head and half-blind eyes, peering at me from beneath a once gorgeous head-dress. He was full of stories of the early days, and he could remember Lord Inchcape as a young man, riding up the stairs of the Bombay office on his pony, to startle the clerks at their work. I went with the old man to his house, along a fetid, noisy bazaar and up four flights of rickety stairs. He wished, he said, to show me something which was sacred to him. We came to a small room, with one chair, one bed, and innumerable wardrobes and chests of drawers. He took my arm and led me to the end of the room. A big photograph hung on the wall. I did not know, until he told me, that it was of the late Lord Inchcape.

### *Introduction*

Beneath was a bunch of small pink roses, bound tightly together and jammed into a vase.

"I say my prayers to him every day," whispered the little Hindu.

"Why did you pray to him?" I asked.

"Because he was kind to me for thirty years," answered the man.

"You knew him well?"

"I knew his heart," he answered.

"People have told me that his heart was hard," I said. The Hindu did not answer for a moment. Then he took my hand and said: "I knew his heart. He was hard only to those who could defend themselves. He was never cruel to little people."

This was the first key given to me for my search into Lord Inchcape's story.

HECTOR BOLITHO.

Field House,

Hempstead,

Essex.

*April, 1936.*



## CHAPTER ONE

*Lord Inchcape's parents and their life in Arbroath—The birth of James Lyle Mackay—His childhood and education—The death of his parents—His love of the sea—His first work as a lawyer's scrivener.*

1852

IF YOU TRAVEL SEVENTEEN MILES ALONG THE COAST FROM Dundee, you come to the town of Arbroath, set low beside the waters of the North Sea. Behind the town are slopes of pasture and wild flowers : rooks feast among the stooks of corn and cattle move languidly over the fields. But the sullen red stone houses of Arbroath belong to the sea and not to the land. From time immemorial fishermen and sailors have lounged in the doorways of the town and the smells which invade the higgledy-piggledy streets are not of the harvest, but of seaweed and brine. Nowadays there are pierrots on the sands and shrieking radios in the little shops. A dance band from Dundee plays in the modern hotel and Lord Strathmore treasures a silver-mounted walking stick which the corporation gave him when he opened the smart new swimming pool in 1934. But it was not always thus. Eighty years ago there were no intrusions of fad and fashion upon the peaceful scene of Arbroath. The blunt, diligent people drew their prosperity from the sea. A rich herring fleet found anchorage within the red stone walls of the outer harbour and more than

### *Lord Inchcape's Parents*

a hundred oceangoing ships were owned by the Arbroath merchants, who worked from dawn to dark in their dingy offices. They were dour and puritanical : Scotsmen to the marrow and sailors at heart. They worked hard and they were used to adversity.

The biggest of the Arbroath ships traded as far as the Indies and South America, the Mediterranean and the Baltic.

“ With the manliest rig  
The Baltic Brig  
Broad-beamed and bulky of hold  
With fro' and call  
And the bowline haul  
Of the sailor days of old.”

In 1850, Arbroath was still a sailor's town. You could turn your back upon the high land and walk down, among the yellow daisies and the white butterflies, to dream upon the shingle shore, with the translucent water washing in over the dark rocks and the clean iodine smell of the seaweed in your nostrils. There was much of which you might dream. Along the road, towards Dundee, was Hospitalfield, chosen by Sir Walter Scott for the scenes of Monkabarns in *The Antiquary*. Twelve miles inland, over the fields, was the castle of Glamis, with the history of nine hundred years in its awful red turrets. Twelve miles out to sea was the Inchcape Rock, renowned from the days of the worthy Abbot and the wicked pirate, Ralph the Rover, who perished there.

Among the merchant sailors who thrived in Arbroath in

## *A Merchant Sailor of Arbroath*

the 'fifties was one James Mackay. We know little of his looks or of his character, for he died in 1862, and there are no men alive who remember him. A daguerreotype of him still exists, but it is so faded that we are merely tantalized when we search in the marked glass for the lines of his face. We know that James Mackay owned and navigated his own ships, which brought cargoes of flax from Archangel for the rope and canvas works which then enriched the merchants of Arbroath. He had brought corn from New Orleans to Galway during the famine of 1848 and he had carried Irish immigrants back across the Atlantic, to Halifax, in a journey which lasted only twelve days. Once, when he returned from Canada, he brought a young wife from that country. Her name was Deborah Lyle. He made a home for her in Arbroath, in Bank Street, where he found a red stone house, set back from the harbour. Their first children were a son who became a sailor, and two daughters. Their fourth child was James Lyle Mackay, the subject of this book. He was born in the summer of 1852. We know little of the daily life in the red house, except that Captain Mackay told his sons endless stories when he came home from sea ; stories of the flax barges coming down the Dwina, and of the high white icebergs, with stranded polar bears upon them, sailing off the coast of Newfoundland. There were also stories of Arbroath in the early days. The captain's memory went back to the beginning of the century. As a little boy he had seen Robert Stevenson and the artificers returning from the Inchcape Rock, when their work on the great lighthouse was ended. He had stood with them

### *The Young James Mackay*

in the little church next day when, "with scarcely an exception," the builders of the noble lighthouse "gave thanks to God for his watchful care over them." He had seen Sir Walter Scott set out in a cockleshell of a boat in 1814, to visit the famous rock, and he had read the lines which the poet wrote in the lighthouse when he came there :

*"Far in the bosom of the deep  
O'er these wild shelves my watch I keep. . . ."*

When he was six years old, young James Mackay showed some of the fierce independence which was to carry him forward to prosperity and power. He had been sent to a school near to the ruins of the abbey which William the Lion had dedicated to Thomas à Becket, in the twelfth century. The walls of the abbey, yawning open to the blue sky, the harbour with its herring fleet, and the noble windjammers home from the Baltic and from the Levant, held more charm for James than the bare schoolroom and the narrow-faced school-teacher. The wild young truant escaped from his master's vigilance whenever he could. He liked to lie indolently upon the harbour wall, with the gulls crying at the mouth of the Brothock river, like Millais's "Young Raleigh," listening to tales of the sea. Sailors lolled there and theirs was the talk he understood. From the beginning there was hatred between the master and his militant pupil. Mackay was brought to him one day to be punished for a crime of which he was not guilty. When the master's cane was raised, the sense of injustice in the boy burst into temper and he attacked the older





## *Childhood*

man with his fists and his feet. The teacher beat him so mercilessly that James collapsed and fell upon the floor. He was taken home and an hour afterwards the intimidated master came to Mrs. Mackay's house to confess his error. James Mackay recalled the beating in later years and said that the master was "extremely civil and kind" ever afterwards. When he was eight, Mackay was sent to the Arbroath Academy, where he loved one of his masters, named Fraser, who taught him arithmetic and algebra. Here, too, there was a tyrant among his teachers : one who liked to use the cane. He would stand over Mackay, whose defiance had not been disciplined by his previous thrashing, and hiss at him : "I'll make you suffer in the flesh." But the boy was defiant : he was too sturdy to remember his beatings for very long. He was already dreaming of worlds beyond the limitations of Arbroath. He was strong and practical and his own wish was his will, but there was courage mixed with his independence. It marked him out among his contemporaries, although they were also Scottish lads, in whom courage and independence were an inheritance. Mackay did not possess "a fugitive and cloistered virtue, unexercised and unbreathed." From the beginning he sallied forth to meet his adversary.

1860

In celebration of his eighth birthday, James was allowed to go to sea in his father's ship for the first time. The *Asia* was a barque of three hundred tons and she traded between Montrose and Archangel. The first hazardous journey

### *A Taste of the Sea*

did not lessen the boy's wish for a sailor's life. He was gay with excitement, even during the dull seven days when the barque lingered in the Pentland Firth, in alternate calm and headwinds. Four weeks later the *Asia* crossed the White Sea and came to Archangel. The old port, with its seventeenth-century bazaar, its long lines of wooden houses and the great stores of flax and oats, linseed, skins and timber, gave James his first glimpses of the great world of which his father had told him. Day after day he meandered about the quays, watching the flax barges and the great loose bales being hand screwed by the Russian lumpers. For the first time he heard a foreign tongue, spoken by the labourers as they lounged against the capstan, or sung, in deep, ringing voices, as they lowered the bales into the hold. The discipline of his father was no more curbing to him at sea than the cane of his schoolmaster in Arbroath. Young James fell twice into the waters of the Dwina. A Russian boy saved him the first time, and the second time the cook dived in and brought him to the ship's side. In later life James Mackay described his rescuer as "a dear old man named Joseph Gold . . . when he got beyond work, I gave him a pension until he died."

The facts about these early years are sketchy. A few letters and a page or two of Lord Inchcape's notes are all we have to aid us in painting a picture of his boyhood. At the age of ten, we find him still in Arbroath, at home with his mother and his sisters, waiting for his father, who was on the way back from Australia. Captain Mackay's last voyage was in the *Seafield*, a full-rigged ship of six hundred and sixty-one tons. James and his mother

## *A Taste of the Sea*

watched her move in to her anchorage off the harbour walls and they went down to wait for the little boat to come in to the steps. Captain Mackay was not on board. A sad, shy chief officer walked up with them to the red house and told them his story ; the captain had been drowned while they were crossing the Atlantic. The *Seafield* had been going along very slowly, under a light following wind. She had rolled and Mackay had been thrown into the sea, where he had perished before they could reach him.

There is one letter with the year 1864 at the top to give a glimpse of James about the time of his father's death. It was written to his school-friend, Charley Wilson.

"DEAR CHARLEY,

"I am set down to write you as I promised, but I have very little to say. It is very blowy weather here just now, but a great pity there is no snow yet, though I expect there will soon be it. I was out spending the day on Saturday at the provost's, and I was riding a great deal, and not being accustomed to it I could hardly walk when I came off, and to-day at school the boys had a good laugh at me.

"It is very cold here in the mornings, and evenings, but it will be still colder and skating will soon be begun. I have written Davie Caithness with the same mail, as you. Love to Davie Leslie and all my schoolfellows. I am quite well at present and hoping this will find you the same I conclude,

"I am ever your loving friend.

"J. L. MACKAY.

"P.S. Excuse this scrool and be sure and write soon telling me all the news."

### *The Death of his Parents*

In this same year Mrs. Mackay also died. The little red house in Arbroath was closed and James and his sisters were left in the charge of a guardian. His elder brother, William, had long finished with school and he was already at sea.

1864

The breaking up of his home did not seem to weigh heavily upon James. He was still too young to feel the melancholia of bereavement and, with a wistful complaint that he was "fonder of boats than of books," he returned to the Academy at Elgin, whither he had been sent by his mother a year before. He squandered his opportunity of learning in favour of illegal salmon-fishing and poaching. Upon his own admission, he was "idle and lazy" and showed no startling promise. Fishing in the Lossie and poaching in the Spey were his chief delights. There was one condoning virtue to make up for his lack of scholarship. James was a good caligrapher, and if there was little learning in what he wrote, he wrote it with a fair hand. It was upon the wings of this one talent that he alighted upon the first rung of his high ladder, as a scrivener in a lawyer's office in Arbroath. His patrimony of £2,000 was invested in three East Indian barques : the *Asia*, in which he had once sailed to Archangel, the *Eldorado*, and the *Seafield*. Every yearning of the boy and every circumstance drew him towards the life of a sailor. When he was ill he yielded to the simple remedies of the fishermen and strengthened himself by eating dulse—the medicinal seaweed which abounded on the beach at Arbroath. Even

## *Love of the Sea*

when he was old and rich the regret was strong in him—that he had turned from the sea to the land for his livelihood. The smells of the wharves at the mouth of the Dwina were still sweet in his nostrils when he turned into the lawyer's office. His playground had been the shingle beach of Arbroath and his school-books had always been deserted for the harbour walls. “There are things to think about at sea which a man ashore does not consider. . . . Thinking takes the place of reading.” When his day's work was ended James closed his ledger, as he had closed his school-books, and he went to watch the gulls swooping down among the flotsam, where the stream of the Brothock ran into the sea.

We must fling the story forward, sixty years, to realize how deeply and pathetically James Mackay's love for the sea was rooted. We see an old man, upon a Channel steamer, treated with great deference because he is a peer and a millionaire. He has something of the fine manner of the veteran as he steps on board the little boat. He is crossing from Dover to Calais to attend a meeting of the directors of the Suez Canal Company in Paris. A water-way between the Mediterranean and the Red Sea had not even been planned when he was a boy. The stooping, quiet old man goes to his cabin. When he emerges he is wearing a yachting cap, donned for the brief hour of crossing to France. There are other directors on board, and perhaps a Minister or an equally important man of business. But he seeks the bridge and the talk of the captain. The cap may have seemed to be an affectation to those who did not know him: to those who did not know that, whatever coldness there was in the eyes of the

### *Love of the Sea*

great financier, there was the echo of a sea shanty in his heart. This was his secret. He was a sailor's son and the first air which he ever breathed had been salty. The iron will, which made success in later years, enjoyed this one relaxation more than any other. Marryat, Masefield and Jacobs were the authors of the few books he ever read. The book-case in his own sitting-room was full of sea stories and charts. The paper-weight on his table was of a ship, in a glass sphere. When it was tilted it was seen riding a snowstorm. His life was divided in two as definitely as the globe is divided into land and water. Upon the land he became a titan, fierce in his pursuit of success. Upon the sea he was a sentimental boy again. This was the division of his life, and it began in his fifteenth year, when he forsook his heritage for an office stool. This narrowing down of his horizon, from the broad seas to a desk, showed James Mackay the way to both fame and fortune. But, in the years that were waiting for him, he was not always certain that he had chosen the happiest way. When he spoke to the Shipbroker's Benevolent Society, in 1894, he complained, wistfully, of the fading of romance from the seas. "The old sea songs which we used to hear as ships hauled through the dock basins or hove short in the stream are heard more seldom now," he said. He admitted that the romance had disappeared out of seafaring life "with the dividends."

*You will never enjoy the world aught till the sea itself floweth  
in your veins, till you are clothed with the heavens and crowned with  
the stars. . . .*

### *Love of the Sea*

There was one more hint, in later years, that James Mackay's choice did not always bring him happiness. He dictated a speech in June of 1922, in which he said of his life : " I only wish I could have it all over again." There is a faint pencilled alteration in the typescript which was placed before him. He changed the " all " to " the most of it."

## CHAPTER TWO

*His work in the office of a canvas and rope manufacturer—  
The growth of his independence and his journey to London  
—His first visit to India.*

1865-1874

JAMES MACKAY WAS NOT CONTENT TO WORK AS A SCRIVENER for very long. Within a year he joined a firm of rope-and canvas-makers, as a clerk, and here he came up against the first man who seems to have been a curb upon his waywardness. This was his employer, Francis Webster. We read in some pages of notes which Lord Inchcape made when he was old that he was a “forward sort of a boy . . . extremely naughty . . . who would never come to any good.” “Eventually,” he added, “I was brought to heel by four years of the strict discipline of an office.” His “revered lord and master” during this time must have been a canny, attractive old man as well as a prosperous merchant. The instruction which Francis Webster gave to his new clerk, on the first morning in the office, was: “Now, Jeemie, you are to do as you are bidden and not a word must go out of the office, either black or white.” Jeemie was obliged to obey his master’s law for £5 the first year, £10 the second year and £15 the third year. He was diligent, but he was not yet docile enough to be happy at his desk. In his hours of leisure he still hurried towards the sea.

## *Work in an Office*

On Saturdays and Sundays there were expeditions to the Inchcape Rock in the fishermen's cutters, in which Jeemie sat shoulder to shoulder with the tough old salts. He joined them in their jokes and their escapades, but never in their drinking. A hardened old fisherman with the good sounding name of Sandy Cargill was his chief tempter. Sandy was devoted to his greybeard of beer. He would enjoin Jeemie : " Mon laddie, tak' a drap o' that ale ! It's no very good, but it's a dammed sicht better than water." Jeemie had seen Sandy sliding over the slippery seaweed, and the staggering figure had been a warning to him.

If the truant in him tempted James away from the office to his old playgrounds, he had also a will to work. James remained in Francis Webster's office from nine o'clock in the morning until eight o'clock at night : sometimes he stayed even to eleven o'clock. He was parsimonious and industrious, and with these habits there was also the spur of ambition. He studied the methods of the shippers and he talked, in his leisure, with the captains who came home from afar, as his father had done. When his first year with Francis Webster was ended his guardian asked the old sail-maker of the boy's progress. Francis Webster scratched his head and spoke wisely : " Jeemie is no a bad laddie, but he's a damned sicht ower-ambitious."

Ambition begat discontent and the little affairs of the rope-maker soon lost their charm. James Mackay looked beyond Arbroath for new and wider fields. The strange restlessness of the Scotsman was upon him and, excited by the advertisements which he read in the newspapers, he set his heart on London. When he was old and celebrated,

### *First Arrival in London*

Lord Inchcape went back to Arbroath and spoke to the young men of the new century. He said to them :

" Let me recommend you not to be afraid to go out into the world. There is no scope in Scotland for the energy, the brains, the initiative and the ambition of all the youth in the country . . . if there is no prospect for you here, the sooner you getaway the better. Don't say what a ghillie in Sutherlandshire said to me one day when we were out fishing and he was asking about London : ' I thank God, sir, I have never been in England.' "

James Mackay was almost twenty when he left Arbroath for London, to work for Messrs. Gellatly, Hankey, Sewell and Company. His salary of £50 was fortified by his patrimony of £100 a year, a comfortable sum for a boy beginning his career in the early 'seventies.

British traders were prosperous in 1872. Exports to India had grown more than 100 per cent since 1850. The discovery of gold had attracted many settlers to the new countries and ships were setting out for India, Australia, Africa and Canada, laden deep with manufactured goods from the Midlands. They came home with cargoes of jute, cotton, wool and wheat. London was now a city of opportunities : shipping offices were being extended and building yards were thriving upon the demand for more tonnage. In ten years British shipping had increased from 4,500,000 to 5,500,000 tons. James Mackay chose the right day for his coming to the metropolis.

We might contemplate London as James found it, in his twentieth year. Queen Victoria had been on the throne for thirty-five years, and she ruled under the dark

### *London*

cloud of disapproval, because of her retirement to Windsor. When she appeared in the streets of London, in her sad widow's mourning, the people held back, timid and silent. Mr. Gladstone was in power, but his Liberals were falling in the by-elections like ninepins, and Mr. Disraeli was waiting in patience for his victory of 1874. One of the first sights James Mackay enjoyed in London was of the Shah of Persia, heavy with diamonds, driving towards Buckingham Palace.

Commercial London was in transition. She had still seven years more to wait for the telephone, but inventors and merchants were already planning the industrial and trade revolution which was to shake the world. The exciting new discoveries in science were still comprehended only by a few. We come upon an amusing instance of this in the report of an entertainment given in Hartlepool. The acrobat, who was ascending an inclined rope, was "only two or three strides from the top" when a thoughtless man struck a vesuvian "immediately before her eyes." She was so startled that she "lost her balance and fell into the pit."

The mass of people still clung to their old habits of thought. Almost six hundred books of theology were published during the year and only four hundred and seventy novels. Foreign lands and seafaring had not yet caught the public favour and books of "voyages and travel and geographical research" numbered less than two hundred. But, among the few, there were enough adventurous spirits to give Britain a lead in her economic conquests. Gold had blessed the trails blazed into Canada,

### *A Sturdy Clerk*

**Africa and Australia.** The Civil War had helped to divert cotton-buyers from America to India, and the decay of Turkish power was opening up the Levant, the Red Sea and the Persian Gulf to our traders. Merchants were also adventurers and they were tempted to cast their nets into new, strange waters.

Even in London, where the city's delights might have captured him, James Mackay remembered Archangel and he remembered his sailor father. He had run from the sail-maker's office in Arbroath to smell the waters of the North Sea, breaking against the harbour walls. In London, the same fever was upon him, and the London docks, rather than the theatres and the streets, became his playground.

One is picking dead bones when seeking among Lord Inchcape's papers for details of his early years in London. When he was a mature man he seldom allowed himself the luxury of reminiscences. His talk at the dinner-table was usually of the present or of the future. He seldom referred to his early life in London. "By the time the long office-day was done, my eyes were aching and my fingers were stiff," was most of what he said, if he ever did fall into the way of recollection. There is one man alive<sup>1</sup> who recalls James Mackay as a "sturdy" clerk, arriving at the office in Leadenhall Street. "There was nothing striking about his appearance . . . he would have passed for a smart, capable second mate of a good-class sailing vessel." There is one interesting impression of the new young clerk recalled

<sup>1</sup> Mr. F. Vernon Smythe.

### *In the Customs Department*

by his colleague of the 'seventies. "Mackay was from the first far too able a man to find it necessary to adopt any sort of intrigue for his own advancement. He was one who could always swim without sinking anyone else . . . . his ways were ever direct and all-powerful."

"After some months at the Bill of Lading desk, Mackay was appointed clerk of the Customs Department. He had to transact all the business relating to H.M. Customs. It was his work to clear through the Customs House all goods consigned to the firm at Leadenhall Street and all goods shipped by them: to enter all inward-bound ships and clear all outward-bound ships through the Customs, to pay all port and Trinity Light dues." He had to provide all ships with the documents needed at the foreign ports of call and the Bills of Health. He accompanied all outward-bound vessels to Gravesend, and he met and knew many of the captains with whom he was afterwards associated in India. In this way he filled one of the pigeon-holes of his brain with information which was invaluable to him when, in later years, he also became a master, ruling a regiment of clerks. A fruit-knife, given to him by the only intimate friend he made in London, and the fact that he went to the theatre now and then, are all that can be added to these glimpses of his office employment.

James Mackay lived in exciting times. Three years before, the Empress Eugénie had joined the Khedive of Egypt and the dogged French engineer, Ferdinand de Lesseps, to celebrate the opening of the Suez Canal. Sixty-seven vessels had entered the waterway at Port Said, with the Empress and de Lesseps in the first of them. The

## *The Opening of the Suez Canal*

opposition of Palmerston, who had declared the Canal to be "one of the greatest frauds of modern times," had not daunted the Frenchman. He had worked in the little room at Ismailia month after month, to bring the waters of the Red Sea and the Mediterranean together.

The opening of the Canal must have brought a strange new note into the talk of the seamen whom James Mackay met on the London docks and in the shipping office. The blessing of the Canal was not apparent at first. We have only to turn to the history of the P. & O. Company to realize the alarms and disasters which the shipping interests suffered. The P. & O. Company had sunk many millions of pounds in the overland route from Alexandria to Suez. The coal for their Eastern stations went out in sailing brigs, by way of the Cape, but the coal for Suez went first to Alexandria, then by canal to Cairo, and then by camel train, over the desert, to Suez. "Caravans numbering more than three thousand camels were needed to transport the cargo of a single steamer between Suez and Cairo."<sup>1</sup> We are told that "the merchandise carried—indigo, tea, silk, and precious metals—was of a kind and value to make this expensive form of transport practicable." The trade of the P. & O. Company alone, by this route, sometimes reached the value of forty millions sterling in a year. With the opening of the Canal, the vast organization for land transport became almost useless. There was another upheaval to depress the shareholders and the directors.

<sup>1</sup> The information in this description of the Suez Canal is taken from the P. & O. Pocket Book and from an article by Sir Ian Malcolm, K.C.M.G. which was published in the *National Review*.

## *A Quick Step*

The opening of the Canal synchronized with the adoption of the compound engine as the motive power of the mercantile marine. The fleet of the company thus became almost obsolete.

The shipping world was profoundly shaken by the opening of de Lesseps' canal and it is little wonder that young Mackay listened to the shipping talk and looked towards India as the next step on his high ladder. In the beginning, as all through his life, good fortune and opportunity came to him when he needed them. Early in 1874 one of the partners of his firm sent for him in the London office. He was asked if he had any wish to go to India, as an assistant in the firm of Mackinnon Mackenzie and Company. The partner had already put his question to two other clerks before asking Mackay. The first had answered : "Yes, but I should like to have my summer holidays first." The second had also said : "Yes," but he had added that he would be obliged to ask the permission of his parents. When Mackay was questioned his answer was : "Yes."

"And when could you sail :" he was asked.

"To-night," was his answer.

His readiness won him the appointment, and he sailed from Southampton, in the *Cathay*, about the end of April. It was thus that Mackay went to Calcutta, in his twenty-second year, to make his fortune. In his notes he tells us that he arrived at Alexandria and "crossed over to Suez by rail," and then embarked on the *Simla* for Bombay. The Canal was ignored for an odd reason. The British postal authorities would not allow the mails

## *A Journey to India*

to travel through the new waterway, and until 1888 they insisted on the P. & O. Company landing the mails at Alexandria and taking them overland to Suez. Thus the mail route clung to the land and passengers lost the time which was saved by the steamers of other companies using the Canal. It is interesting to remember that vessels took as long as three days to travel from Port Said to Suez. The searchlight had not been invented<sup>1</sup> and ships were therefore obliged to tie up to the Canal banks during the night.

James Mackay's journey overland from Alexandria to Suez was not without disturbance. He tells us of an incident at Zagazig, where the passengers left the train to dine in the refreshment-room. "We all got out and the first thing we had to do was to pay the regulation price for our dinner. We each got a plate of soup and just as we had eaten this the starting bell rang on the platform. The guard shouted : 'All for Suez this way !' A seasoned major, returning to India, stood up before his empty soup plate and addressed the passengers. 'Ladies and gentlemen, the train in which we are travelling from Alexandria to Suez is a special P. & O. There are no other passengers by the train. I have seen this trick tried before and I suggest that we remain here until we have eaten our dinner. The train cannot go without us !'"

James Mackay adds that the passengers remained seated for some time, but got nothing to eat. "The bell rang again and the guard shouted : 'Any more for Suez ?'

<sup>1</sup> Searchlights were first used in the Suez Canal in March of 1887.

### *On the Seas*

But no more food was produced. The major then said : ' It seems to me that they have run out of supplies and I suggest that we look into the store-room.'

" We did this," wrote Mackay, " and we rifled it of bread, butter, cheese, tins of all kinds, bottles of wine and of beer, and everything we could lay our hands on. We then made for the train, amidst the shouts and threats of the people who owned the refreshment-room."

In the later years of his power, Lord Inchcape loved the great twenty thousand-ton liners in his fleet. " He knew and loved every screw in the ship," was the brief judgment his officers made of him, when he was chairman of the P. & O. The notes of the still-young man, going out to India on a small steamer in the 'seventies, are therefore interesting. He arrived at Suez and found himself " in a first-class cabin with seven other occupants and two washhand-basins ! One oil lamp served to light two cabins and it was always extinguished at ten o'clock. The cabins were all below, and even in the treacherous heat of the Red Sea, there were neither punkahs nor fans."

" The heat going down the Red Sea, at ten or eleven knots, was pretty trying, but we all survived it and reached Bombay up to time. At Bombay I had orders from the firm to proceed round the coast to Calcutta, in the *Burma*, a British India steamer of a thousand tons. We called at thirty-two ports on the way round. I remember them all, in sequence to this day, and I landed at every port.

" I was on the Bridge with the skipper when he was looking out for the light at Goa. He could not sight it. The fact was, we were too far out. After having starboarded for a short time,

### *The Voyage*

we sighted the light and he exclaimed : ‘ There it is, the black-guards have just lighted it. Why do the British Government allow the Portuguese to hold that place ? ’

“ It was pretty hot in the cabins below. There were no fans in those days and I generally slept on deck, on the poop. The *Burma* did not have her wheel on the bridge. Steering, by the helmsman, was done on the poop. About four o’clock one morning, when we were making from Masulipatam towards Coconada, I was wakened up by the Captain, who was looking at the compass and shouting to the secunnie at the wheel, ‘ You are two points off your course. You are too much to starboard. It’s a dammed good job for you it’s on the right side. . . . ’ However, we reached Calcutta without mishap. I was cordially received by the senior partner, Mr. Duncan Mackinnon and his charming wife, and after staying with them a few days, I transferred myself to a boarding house at No. 10 Middleton Row, where I made the acquaintance of many youngsters like myself—assistants in mercantile firms. With few, if any exceptions, I am afraid they have all gone over to the majority now. I was installed in the office in a very minor capacity but, by degrees, more responsibility was given to me and I did my best to work for the firm and the British India Company. I visited the steamers early in the morning, got to know the Captains, the Officers and the Engineers, as well as the native serangs, and I picked up Hindoostani as quickly as I could. I found all the native establishment in the office extremely agreeable and intelligent and we pulled together.

“ Time went on. I was very happy in the office in Calcutta, with the many friends I had made. I found my salary of Rs. 300 a month for the first year, Rs. 350 for the second and Rs. 400 for the third quite sufficient for my requirements and I lived well within it and did not require to draw on the income from my patrimony which was accumulating at home.”

### *First Months in India*

This blunt and modest account of James Mackay's first months in India gives us no glimpse of his worth or of his talents. It is in the history of the British India Company that we see something of the problems and excitements which must have come into his daily life. The growth of the Province of Bengal and the awakening of Burma increased the problems and opportunities of his firm. These new experiences must have been a lively change for Mackay, after the dull bills of lading which had snowed him under in London. There is one significant document in the files of the company to show how Mackay impressed his employers. Every channel of their business was prospering in 1878 and they wished for another young clerk to come out and join the staff. Sir William Mackinnon was then in London and the senior partner in Calcutta cabled to him : "Send us another assistant like Mackay."

Almost as soon as he was established in his new office in Calcutta, James Mackay received exciting news which was to affect the trade of his company. Benjamin Disraeli had bought the Khedive's shares in the Suez Canal for Her Majesty's Government. The "hated Pilgerstein" was long dead, and the politicians of his day who had shared his views about "the foul and stagnant ditch" in Egypt had gone out of office. The waterway had assumed its true importance in the eyes of the new British Government and of the London merchants. In 1858, when the shares of the Canal Company had been offered for subscription, there had not been a single application from England or from the United States. The few years which had passed since the opening had already proved the British and the

### *Disraeli and the Suez Canal*

Americans to be wrong, and in June of 1870, when Ferdinand de Lesseps came to England, London ate humble pie. The freedom of the city was conferred on him and, through the eagerness and friendliness of the Prince of Wales, who had met de Lesseps in Egypt, the coveted Albert Medal was given to him. *The Times* forgot its old antipathy and was whole-hearted in greeting the Frenchman to the country "which has done nothing to bring about the Suez Canal, but which, since its opening, has sent through it more ships than all the rest of the world."

The English are quick to capitalize their mistakes. Five years after the opening of the Canal, Disraeli drew the eyes of the world upon him through his speedy and imaginative purchase of the Khedive's shares. The Queen was "in ecstasies." Disraeli had acquired the 176,602 shares for £4,000,000, with as little fuss as if he had bought a pair of gloves.

The Indian people were entertaining the Prince of Wales when the negotiations were afoot. The Prince had travelled out to India by way of the Canal. When he came home again, in March, his ship laden deep with gifts of tigers, leopards, elephants, ostriches and gems given to him by the Indian princes, he was able to sit upon the deck, looking out over the burning sand-dunes of Ismailia, and comfort himself with the knowledge that his mother's Government had installed themselves as part directors of the Canal.

### CHAPTER THREE

*First years in India—The growth of the British India  
Steam Navigation Company.*

1874—a retrospect<sup>1</sup>

THE RING OF GOOD SCOTTISH NAMES SOUNDS THROUGH the history of shipping in India. We go back to the beginning of the last century to find the first two figures in the story : Brodie McGhee Willcox, half a Scotsman, and Arthur Anderson, a Shetland Islander, “ compounded of granite and salt.” They began with a small office in Lime Street : two men who were rich in talents and poor in gold. Willcox was the practical, canny partner, but Anderson was of different character. He was the son of a fisherman, a man who was a woodcarver, something of a poet, and devoted to his violin. Like Mackay prone upon the harbour wall of Arbroath, Arthur Anderson had dreamed dreams on the shores of Shetland when he was a little boy of eleven, “gutting, scrubbing and washing the fish” and “drying them in the sun on the boulders.” When he was sixteen he entered the navy. After Waterloo, he left the sea and went to London and joined Brodie McGhee Willcox in his shipbroking and commission

<sup>1</sup> The information in this chapter has been taken from several sources, mainly an article by Mr. Clement Jones, C.B., published in *The Journal of Commerce and Shipping*, on October 1st, 1934.

## *Scotsmen and Shipping*

agency in Lime Street. Like James Mackay, Anderson had been born to smell the sea and he was not happy as a shipping clerk. He spurred Willcox on to greater things. In 1825 he became Willcox's partner, and within a few years they owned a small fleet, trading between London, Oporto, Lisbon and Gibraltar. In 1826 their trade with Portugal was molested by the struggle for the throne between Don Miguel and Donna Maria. Anderson had an appetite for diplomacy as well as commerce, and he involved himself in the campaign, to win the crown for the young Queen. Donna Maria was crowned in 1834 and Arthur Anderson became prosperous under the favours which the Portuguese Royal family showered on him. As Portugal settled down to reasonable life again, there was civil war in Spain between the followers of the Queen Regent and Don Carlos. Again Anderson stepped in, allowing chivalry to serve commerce. He loaned the Queen a paddle-steamer, the *Royal Tar*, as a warship, and when peace was declared, his firm was given control of the steamer service between the Thames and the Peninsula.

Another Scotsman was brought into the office in St. Mary Axe, James Allen, of Aberdeen, to cope with the increased business. The ramifications of the firm were slowly extending to strange and wonderful countries, but the control remained Scottish, through and through.

The ships of the company went into more distant waters : they traded as far as Malta, and then Alexandria, which was the doorstep to the more distant East. The directors added the word Oriental to their title and the Peninsular and Oriental Steam Navigation Company of

### *Scotsmen in India*

to-day was born—the company which eventually came into the control of Lord Inchcape. In 1842 the company secured the mail contract for India and, hurrying from one achievement to another, the overland route was organized, across the isthmus of Suez. In 1844 the mail services were extended to Ceylon, Madras and Calcutta, and in 1852 a branch line of steamers began to run between Singapore and Australia. The company now spanned half the world. Still another Scotsman rose to take over the helm when Anderson was old : Thomas Sutherland, who steered the P. & O. through the dark years which came with the opening of the Canal.

Two other Scotsmen who were destined to become rivals of the P. & O. Company were already established in fortune and trade in India when young James Mackay arrived there in 1874. They were Robert Mackenzie and William Mackinnon, the partners in the firm in which he was to be employed. Robert Mackenzie had begun his career in India in a humble way. His typically Scottish talents had flowered in a small town up the Ganges. The general merchant's office which he began prospered and grew, and he was obliged to bring a partner in, to share the responsibility and to work with him. The partner was William Mackinnon, whose merits were suitable to the enterprise. He was described as a man of "exceptional ability and sagacity and integrity." Their business spread from the Ganges to the sea coast. In 1854 the East India Company gave the firm the mail contract between Calcutta and Burma. By the spring of 1856 the Calcutta and Burma Steam Navigation Company

### *The British India Company*

had been formed. Prosperity had fallen into the hands of the industrious Scotsmen, but the way was not easy. In the following year the Mutiny disturbed the serene progress of their trade and their ships were diverted to carry soldiers from Ceylon to Calcutta. Cyclones, wrecks and piracy excited the daily life of the pioneers, but they grew in power and influence, and slowly, the Persian Gulf, the Straits of Malacca and Singapore became fields of trade and profit. Their store of courage was unending. They had only to dream of some new enterprise for it to become a reality. When their ships first dared the waters of the Persian Gulf, the Europeans had settled in only two of the ports. Here, and in the Malay States and the Straits Settlement, "life and property were insecure, piracy was rampant and trade hardly known to exist." It was in 1862, when their courage was fully rewarded in almost every route along which they traded, that the company was renamed the British India Steam Navigation Company, Limited. The fleet then numbered seventeen ships and four building. Disaster after disaster intruded into the story. In this year of comparative success several ships were lost at sea. In 1863, five more were cast away in a cyclone, and in 1864, two new companies attempted to usurp their place in India. But the competitors faded away before the fortitude of these two men.

In 1869 the fleet of British India Company steamers numbered twenty-five, without those which sailed under the Dutch flag of the Netherlands Company. This conquest amazes us still more when we recall that the proudest ship in the fleet was little bigger than the smartest

### *The British India Company*

Channel steamer of to-day crossing to Calais or Ostend. It was in this year that the British India Company suffered its most severe set-back. In common with the P. & O. Company, they were faced with the adoption of the compound engine. At the same time the Suez Canal was opened. The brave optimists were undaunted. The British India Company sent the first steamer to enter the Canal from the south, and when the waterway was opened, the *India* was already waiting in the roadstead at Suez. She travelled to England by way of the "foul and stagnant ditch" which Palmerston had derided. She was fitted with new machinery and boilers before she returned to India.

It was at this point in the story of the British India Company that James Mackay arrived in India. He came into a concern which was vigorous, brave and imaginative. He also had these three virtues to his credit and he soon won the regard and the interest of the merchants of Bombay. The names of the directors and influential members of his new firm must have surprised and pleased him. There is a story of two Scotsmen who were washed ashore upon a desert island, from a wreck. When they recovered consciousness upon the lonely strand, it is said that they immediately sought a quiet cave in which they formed a Caledonian Society. This spirit had filled the office of the managing agents of the British India Company in Bombay. The names that fell about James Mackay, in the early months, were McIver, McTaggart, Campbell, Maceachern, Mackinnon, Mackenzie, MacMichael, Macneill and Carmichael. Most of these men were from the western coast

### *James Mackay Joins the Company*

of Scotland. They had been born on the peninsula of Kintyre, within sight of Ailsa Craig. Although the Persian Gulf and Singapore were the landmarks of their new horizon ; although the sights and sounds and smells of their new life were of the East, the focus of their devotion was Scotland still. James Mackay joined the company of Scotsmen naturally, and he soon assumed their habits. The one sacred night of celebration in their lives was on St. Andrew's Day, when they met together and laughed and talked, long into the night.

## CHAPTER FOUR

*Growing trade in Persian Gulf—Life, sport and business  
in India—James Mackay's relations with the Indian  
people who worked for him.*

1874-1878

THE GREAT OPPORTUNITY FOR WHICH AMBITIOUS YOUNG men are hungry came to James Mackay in the year of the suspension of the Glasgow Bank. There are scattered phrases in the letters of the firm of Mackinnon Mackenzie to show that the partners had great faith in Mackay. He had been sent upon expeditions along the trade routes of the company and all the ports of the Persian Gulf were known to him. Mission houses and trading stations had been built along the once forbidding coast, and when James Mackay made the journey in 1877, he was able to call upon the agents at Karachi, Gwadur, Muscat, Linga, Bahrein, Bushire, Koweit, Abadan and Basra. He went up the Tigris, in one of the Euphrates and Tigris Company's steamers, near to the arid land which was the Garden of Eden. Mackay's flair for retaining facts made all these journeys valuable to him. His royal memory photographed every agent and statistics were lodged in his mind as safely as in a ledger.

The British India Company provided transport for almost every war that disturbed the world. They had begun by carrying troops in the Mutiny. This was,

## *A Great Opportunity*

of course, before Mackay arrived in India. In his time they loaned their ships for the Russo-Turkish War in 1878, and for the Zulu War in the following year. These unusual charters all brought experience to James Mackay and he became more and more valuable to his company. The partners were impatient when he was away, and once, when he tarried in Bombay on the way home from Persia, Duncan Mackinnon sent him a telegram from Calcutta : " Well, well, Mackay, not left Bombay yet, come along, I am tired." He hurried back to Calcutta that night. The first time he returned to England, on leave, after a violent attack of typhoid fever, he was so weak that he had to be carried on board the ship at Bombay. He had not reached Aden before the partners were impatient to have him back. A telegram was waiting for him when he arrived at the gate of the Red Sea : " If convalescent, please return." He had been in India for seven years without leave. He was tired as well as ill and he was determined to continue his journey. Without consulting a thermometer, he answered : " Temperature 103, proceeding."

The agents of the British India Company in Bombay had always worked independently of Mackinnon Mackenzie. Disaster came to them with the suspension of the City of Glasgow Bank, and Mackinnon Mackenzie were obliged to find a suitable assistant in Bombay to take over their business. James Mackay was given his first great opportunity. Again his answer was ready. When the chief partner asked him when he could go, he said : " At once. Send my things after me." He left Calcutta within a few hours, walked among the ruins of the agents'

## Bombay and the Hunt

affairs in Bombay, took charge of the forbidding ramifications of the company, and acquitted himself so magnificently that, within less than two years, he was given a partnership, with an interest in the Bombay firm. He was then twenty-six years of age. The only comment on his achievement made in his notes is : " I found the work quite interesting and had no trouble . . . within a few weeks I had surrounded myself with an efficient European and Indian staff." His aversion to self-revelation makes dull reading of Lord Inchcape's own notes on his life. The facts sit side by side, with few adjectives, little enthusiasm and not a suggestion of vanity. Even the records of his relaxation give rather dim pictures. " Life in Bombay," he wrote, " was extremely agreeable. I was elected a member of the Byculla, and the Royal Bombay Yacht Club. I built a small yacht, which I named the *Pinafore* and I had many delightful cruises in Bombay harbour. I became a member of the Bombay Hunt, the Master of which at that time was Zit Remington. We had glorious hunts every Sunday in the cold weather, a pack of hounds being brought out every season from home, together with a huntsman, whose name was Bell. I had a bungalow out at Bandra and here I used to go for the week ends, all the year round. It was handy for the hunting country and I got to know every yard of it, including the rather treacherous Melon ground, Killina Hill and the way to the Vehar Gorge.

" One day the hounds got on to the scent of a hyena, instead of a jackal. We did not realize it for some time until those of us who were close on the hounds, saw the hyena crossing a stream, with the hounds in full cry after

### *Life in Bombay*

him. The hyena eventually took to a cave, rather done up. Nick Symonds, one of the hunt, who had a sheath knife, went in and polished him off, assisted by Bell the huntsman. When we got back to Bandra, my horse 'Nap,' after being groomed by his syce, lay down in his stall, with his legs stretched out, just like a dog. He was a dear."

The captains who came home brought stories of Mackay's success to his old office in London. When his colleagues asked for news of him, one of the captains said : "Leave Mackay alone. His way is set in pleasant places."

All James Mackay's European contemporaries who worked with him in the early years in India have since died. Only the old Indian referred to in the *Introduction* of this book is able to give us a picture of his master in his early twenties. The naïve charm of his letter would be destroyed in a paraphrase. It begins :

" My reminiscences of the late lamented Earl of Inchcape." Shivram Ramchandra writes :

" Mr. Mackay employed me as a clerk under him in 1880. . . . I was credited with having more than average intelligence and being active. I was fortunate in coming under the direct control of Mr. Mackay and so came into closer contact with him than many of the other Indian employees.

" Mr. Mackay was residing in the office premises converted into a chummery with Mr. William Bell of Messrs. Wm. Bell & Co. and Mr. Curwen, editor of the *Times of India* as his companions. He rode much on his favourite chestnut horse and occasionally rode up the stairs into the



MR CURWEN, MR BELL (standing) and MR ORMISTON LORD INCHICAPPS  
CHUMILRY IN BOMBAY BEFORL HIS MARRIAGL



### *Work in Bombay*

office to frighten us. After dismounting he would give the horse a biscuit or so to eat and order it to get down, which it obeyed.

“The British India services then were from Bombay to Calcutta, via coast ports and also from Calcutta and the Coromandel Coast to Rangoon and Moulmein regularly ; from Bombay to Africa and to the Persian Gulf via Karachi, and Kathiawar Coast ports ; and from Bombay and Calcutta to London. A lot of canvassing had to be done for cargo in those days and Mr. Mackay worked very hard, meeting merchants and gaining them over to ship by the company’s steamers. He had a nobleness of heart which won for him the continued support of the Indian merchant community and the loyalty of the Indian employees whom he had the goodness to look upon as his friends more than employees.

“His eye for business was keen and every pilgrim season when the number of pilgrims awaiting transport were sufficiently large, he would charter ships for Jeddah and personally go to the Musafarkhana at Bhendy Bazaar with me to book the pilgrims. He encouraged the Madras and Southern Mahratta Railway authorities to negotiate with the Portuguese Government for extension of their Line to Marmagoa and took the agency for the supply and transport of materials for construction of the Line.”

Shivram Ramchandra continues : “He encouraged religious-mindedness among others though not of his own faith. An incident in this connection is worth recalling. On the day previous to the Ganapati festival, in a certain year, I approached him for leave for the following day.

*Bombay*

“ ‘ Do you have a Ganapati [meaning the idol of Ganapati], Shivram ? ’

“ ‘ Yes, sir, we have one at our home.’

“ ‘ How big ? ’

“ I indicated with my hands the height of about nine inches.

“ ‘ What have you to pay for it ? ’

“ ‘ About twenty-five rupees, sir.’

“ ‘ And other expenses ? ’

“ ‘ Expenses for sweets and ceremonies all amount to about seventy-five rupees, sir.’

“ ‘ Who pays all these expenses ? ’

“ ‘ My father said that since I am now earning, I must spend for these festivals.’

“ ‘ Do not spend too much, Shivram,’ he advised me, and then he wrote out a chit to the cashier for a hundred rupees, and handing it to the havaldar, he told him to fetch the money and leave it on the table. When the havaldar left, he motioned to me and, pointing to the money, he said : ‘ That is for you, Shivram, take it and enjoy your festival.’ ”

## CHAPTER FIVE

*James Mackay's great opportunity as partner of Messrs.  
Mackinnon Mackenzie in Bombay.*

1874-1881

TRADE WITH THE PORTS OF THE PERSIAN GULF WAS ALREADY flourishing when James Mackay went to the Bombay office of his firm. The waters off the coasts of Persia, Mesopotamia and Oman were alive with dhows, bringing merchandise in from the little villages, to the storehouses which had been built by the British merchants. The steamers belonging to the British India Company called at all the main ports between Bombay and Basra. They went out with rice and cotton, and loads of timber, for there were no forests on the coast of the Gulf. They came back to India with Arab ponies, dates and, in the strong-rooms, boxes of Persian pearls. The steamers were small—a thousand tons or more—but profits came quickly and the trade was rich. The ports were still governed by Turkish officials, used to the lassitude of the old regime. But the power of Turkey was fading. The British had already occupied Aden and Perim : afterwards came Egypt. The Turkish officials on the coast of Arabia lived by corruption alone, and when they lost the profits from slave trading, through the campaigns of the British reformers, they accepted bribes for port and medical services which were “adapted” to the

### *Growth of Trade*

advantage of the British traders. One is tempted to linger over the romance of growing commerce and forget the central figure of James Mackay, working in the Bombay office for twelve hours a day, controlling the ships that travelled to the Gulf, the Indian coast, Ceylon, Burma and Australia, and nursing the growing trade within India.

Lord Inchcape described the state of India before the advent of the British merchant, when he spoke at the Bombay Dinner in 1926.

"When one has travelled throughout the length and breadth of India and Burma, one realizes what the British occupation has done for the country. When we took possession, there was scarcely a track which could be called a road, there were no canals for navigation, or irrigation, there wasn't, until 1853, a mile of railway in the country. Justice was unknown. Thuggee and Suttee were rampant, murder and theft were rife. There was no postal communication and not a telegraph wire. There was no forest conservancy, no good water supply, no medical or police service. There wasn't an ounce of tea or coffee produced. There was no coal being raised, no oil, no manganese ore, no iron deposits worked, no gold found in the Tynaad, no silver or lead produced in Burma, no jute, cotton, woollen or paper mills in the country, and no steamers on the rivers or coasts of India. British brains, British capital and British enterprise have developed the resources of the country."

To a man like James Mackay, with a mind free from doubts and misgivings, and a character which was not complicated, progress lay along the one simple way of Western civilization and growing trade. History and

### *The Sultan of Zanzibar*

tradition did not confuse his vision—he was a practical man and not a dust worshipper. He liked the vision of the British Raj bringing railways and roads and ships and telephones to an Eastern people in a rich but, from a commercial side, undeveloped country. He was undoubtedly sincere when he made the high-minded claim that the merchants and officials were not in India for their “own advantage, but also for the welfare of the people of our great Dependency.”

Fortunately for the British Raj the “advantages” came at the heels of British ideals, and the British and Indian traders in Bombay and Calcutta became rich. One of the most romantic new fields of enterprise which opened during James Mackay’s years in Bombay was on the East Coast of Africa. William Mackinnon had touched the fringe of trade with Zanzibar by sending steamers there in 1873. The Sultan must have been deeply impressed by the pioneer of British commerce. He made an astonishing offer to Mackinnon through the then British Consul-General, Sir John Kirk, which was accepted.

The Sultan was willing to grant William Mackinnon a concession for seventy years, of the Customs and the Administration of Zanzibar, Pemba and a ten-mile deep strip of the Coast from Vanga to Kismayu, about 400 miles.

The Imperial British East Africa Company was formed in 1887, under the Chairmanship of William Mackinnon, to develop the concession.

Later a further offer on the same lines was made by the Sultan to hand over the Administration and Customs of

## *Romance of Trade*

a ten-mile deep strip from the mouth of the Ruvuma River to Vanga, another 400 miles. This, the Imperial British East Africa Company said, was beyond their resources, and they approached the Government for help, which was refused. The latter concession thereupon fell into the hands of Germany.

Through their discouragement, the Foreign Office opened the way for German traders. With documents, which they naively described as treaties, the Germans inveigled the chiefs of the hinterland into their net. The German Emperor, more ambitious and imaginative than the British Foreign Office, protected his merchants by granting a charter to the "Society for German Colonization." While Whitehall was sleeping, the country then known as German East Africa (now Tanganyika), was born.

The Imperial British East Africa Company, finding the task of Administration too much for them, handed over the territory they had acquired in Uganda and East Africa to the Imperial Government in 1893, receiving in return about a quarter of the capital they had expended in their attempt at development.

Although the object of the Company may not have been attained, it is undoubtedly due to the foresight and patriotism of its founders that the immense territories of Kenya and Uganda came under the British flag. Railways and roads were built by the Government slavery, was gradually extinguished and Mombasa, so recently a conglomeration of mud huts and malaria, became a big town. A busy port was developed at Kilindini, a few miles away. James

### *Power of Decision*

Mackay was concerned in all these negotiations and growth of trade. He accumulated experience and knowledge while directing his end of Mackinnon's affairs, with diligence and courage.

James Mackay wrote so little and he spoke so seldom of his business life that we may find only scattered incidents to show us why his talents were exceptional ; why every problem which came to him seemed to be solved as if by instinct. One story of his power of decision is still told in Bombay. At the beginning of the Suakim Expedition of 1885 the British forces needed several hundred camels, and the contract for transport was offered to Mackinnon Mackenzie, as agents for the British India Company in Bombay. There were not enough steamers available to carry the camels, and navigation in the Red Sea was too dangerous for sailing ships. Nevertheless, James Mackay accepted the contract, to the alarm of his associates and rivals. They thought him crazy. He filled the bottoms of the sailing ships with sand to give ballast and to form a suitable floor upon which the camels could lie. He sent them, with the few available steamers, to Karachi, to load the camels and he arranged a rendezvous at Aden for the fleet of twelve sailing ships and five steamers. There the sailing ships were taken in tow and delivered safely to Suakim. At the end of this story there is an amusing sidelight on the character and humour of Mackay's elder brother. William Mackay was captain of one of the barques which had been left to the brothers by their father. He was in Bombay when the charter for the transport of the camels was signed and his ship

### *First Illness*

joined the fleet which set out for Karachi and Aden. From Aden to Suakim the steamers towed the sailing craft more quickly than was expected. As he was working for his brother on a time charter, William Mackay was distressed at the high average of speed. He raised a signal : " Why hurry ? More days, more dollars."

Early in 1881 the first setback came to Mackay's progress. It was then that he caught typhoid fever, and as his strength had been taxed by years of work, the doctors insisted on a prolonged rest. He was carried on to the steamer at Bombay to return to England, for the first time since he had sailed from Southampton seven years before.

## CHAPTER SIX

*His first journey back to England—Betrothal and marriage.*

1881

JAMES MACKAY'S BROTHER WAS AT SEA WHEN HE RETURNED to Arbroath, but his sister Annie was there. The seven years of his life in India had been enlivened by constant letters from his sister, and he went to her home, in great happiness, to rest and recover from his typhoid fever. A slim, alert man walked in the streets of Arbroath, where the unruly scrivener had run seven years before. The rigours of the Indian climate had bleached the Scottish colour from his cheeks and he was weakened by fever. But he soon picked up what remained of the threads of his old life, choosing pleasures a little more sedate than poaching, and friends more delicate in their habits than the sailors with whom he had played as a boy. He found, to his sorrow, that many of his schoolfellows had followed his example: they, too, had gone far afield to make their fortunes. A new generation was playing upon the shingle beach and lounging about the harbour walls of Arbroath, watching for the return of the herring fleet. The sea town had not grown in the intervening years: indeed, its fortune was on the wane. Its bigger neighbour, Dundee, had filched most of Arbroath's shipping trade,

### *His Romance*

and the big windjammers came less and less to anchor in the roadstead.

James Mackay had left business behind him, in India, and he was now willing to play and to ignore the demands of his career.. One day a young girl named Janie Shanks ran up to Annie Mackay's house and asked for Mr. James. She had not met him in the old days, when he was a boy at school, but during the years of his life in India she had become a great friend of his sister Annie. She left a message asking him whether he would like to join them at a picnic on the following day. It was to be a grand picnic in the woods near Monikie, and they would all be *very* pleased if Mr. Mackay would come with his sister. Janie Shanks was reputed to be shy, and her mother, waiting in the carriage, was a little surprised when she learned that her daughter had been brave enough to risk meeting a young man whom she had never even seen before. "Oh, no, mother," she answered, "it would have been quite all right if he had been there. He is an old man . . . he's twenty-nine."

Janie Shanks's father was a prosperous proprietor of engineering works. His house, called Rosely, was prettily set among noble trees and lawns, some miles out of Arbroath. The "old man" appeared at the Shanks's house early on the morning of the picnic, while Janie was still at breakfast. Jean Shanks looked up from the breakfast-table, out of the window, and saw James Mackay coming towards the door. "You know, mother," she said, "Annie Mackay's brother is quite young. He's not as old as I thought." And this was the beginning of their



A T ROSEI Y 1983



### *His Courtship*

story. It ended more than fifty years afterwards, in the sadness of death, but still as gracefully and simply as it began.

The party set off for Monikie, and there, among the rowan trees, the pines and the beeches, while there was much laughter and pleasure and telling of stories, Janie Shanks said to herself: "Annie Mackay's brother stares most awfully." She had always imagined that she disliked young men and she was very shy, but when James came to her, with a bunch of mountain-ash berries, and when she found that he talked "most sensibly for a young man," she agreed that he was companionable, and that he had "pleasant eyes and good teeth." Jean Shanks's younger sister has described her as she was when she was a girl. She was "Janie" to her relatives, and she was "the apple of her father's eye" and held up as a pattern to the younger members of the family. "She was beloved by everyone and had a very gracious, pleasant manner with strangers. She had a bright clear complexion, with dark hair and brown eyes, and *always* had that well-groomed look which made people say: 'She looks as if she has just come out of a bandbox.' She had all the accomplishments usually found in girls of her time; riding, painting, crayon drawing, and housewifery. Janie, as we called her, could do no harm."

James had promised to take his sister away for a holiday. Now that he had met Miss Shanks he fulfilled his promise reluctantly. He attended to his family duty, but his heart was in the gardens of Rosely, and when he arrived back in Arbroath, the first thing he did was to call at Janie Shanks's

### *His Betrothal*

house. He did not send his card in to his hostess. He wrote on it: "*Miss Janie Shanks.*" September days among the laurel walks of Rosely, tennis parties and sedate games of croquet, brought success to the young Anglo-Indian suitor. He sailed back to Bombay in November, completely happy, because he was secretly betrothed. Jean Shanks's parents were careful Scottish Victorians and they urged her to "wait and see." "You must be *quite* certain," was the tone of their warnings. Her father read a book on India in great concern. "Do you know, my dear," he said one day, "thousands of people die in India from snake-bite every year?" Miss Shanks asked James if this was true. "Only if they go about without shoes and stockings," he assured her. After her brother had returned to Bombay, Annie Mackay became the willing go-between in the romance. In his letters from India, now grown appreciably longer, James sent his messages to Janie. And Janie, during her now more frequent visits to Annie Mackay's house, returned the affectionate messages to James in Bombay. Then their own correspondence began. At first he sent her nothing but newspapers. Her father still frowned upon the match and letters were forbidden. Consent was at last given, and Annie Mackay was able to withdraw from her thankless agency. The letters between the young lovers warmed under the spell of a declared betrothal. James Mackay said, to the end of his life, that he had fallen in love "the moment" he had entered the room and seen Janie at the breakfast-table.

Two years after Janie's father consented to her engage-

### *His Marriage*

ment a telegraph boy rode up to Rosely, from Arbroath. The romance was no longer a secret. When somebody stopped the boy in the drive, to ask who the telegram was for, he answered : “ *It’s for Miss Janie Shanks. He’s started!* ” James Mackay had sailed from India once more. He succeeded in his wooing as he succeeded in his business, and when he arrived in England he married Janie Shanks in the drawing-room of Rosely, in July of 1883.

## CHAPTER SEVEN

*Married life in India—Member of the Viceroy's Council—  
Astuteness in business—The tribute of a friend.*

1883-1891

THE SELF-CONTROL FOR WHICH MANY MEN HAVE TO struggle came naturally to James Mackay. He began with the advantage of a strong body and the capacity for abandoning his worries in deep, prolonged sleep. His nerves and temper were seldom taxed by illness until he was an old man. From the time of his recovery after typhoid until the beginning of the last illness, in 1932, which defeated him, he retained a sound mind in a sound body. A man's medical history is so closely knit in with his day-to-day life that this remarkable bill of health must be considered in an estimate of James Mackay's success. He had great stores of energy and almost faultless nerve control. His days were a fine mechanism, timed and orderly. From the beginning, his wife contributed to his well-governed life, making no demands that might divert him from the line of his ambition. Yet her influence was never negative. There were wayward streaks in his nature which she alone was able to curb. He admitted his debt to her "very stern course of discipline" when he returned to Arbroath as an older man to speak to the burghers. Theirs was an ideal relationship. Mrs. Mackay believed in her husband and, even when honours, riches





### *James Mackay and His Wife*

and eminence came to them, she never fostered ambitions of her own; ambitions which might have lessened her helpfulness to a man who depended upon her, rather like a child.

James Mackay was wholly unselfish in this one relationship. There was also an old-fashioned notion of chivalry in his married life which caused him to wait on his wife as anxiously in the last year as in the first. We may look forward for a proof that his chivalry and devotion never faded with the passing of years—forward from the scenes of their early years together to the first tragic episode when, in 1928, their third daughter, Elsie, was lost while flying the Atlantic. Lord and Lady Inchcape were staying in Egypt. Their daughter's flight was a secret escapade and they were not told until she had already flown from Cranwell Aerodrome. The news first came to her father by telegram from London. The reports were kept from his wife, and he hugged his secret for five days, while the newspapers in London were blazing the sensation across their pages. Not until it was certain that Elsie Mackay was lost for ever did Lord Inchcape share his awful secret. The unselfishness and control which could carry him through five days of anxiety without a murmur of open complaint or seeking for sympathy helps one to gauge the nobleness of Lord Inchcape's married life. It was the most engaging characteristic of an ambitious and seemingly unemotional man. He guarded this shrine of his deepest feelings from all eyes and he was careful that his domestic happiness should never be written about after he was dead. When-

### *Life in Calcutta*

ever he was separated from his wife he wrote to her every day ; sometimes twice a day. From the beginning they agreed that all their letters should be destroyed and never allowed to drift into the hands of a biographer or even of a descendant. Thus the richest source of information upon James Mackay's feelings—the core of him—is lost for ever. It was his wish that this important aspect of his life should have little, if any, place in his biography. The task forced upon his biographer is therefore not easy. He is asked to write the story of Disraeli without mentioning Mary Ann : the story of Gladstone without the influence of Mrs. Gladstone.

Already, in the record of their life in Calcutta, we come upon incidents which have survived, to help us to comprehend the relationship between James Mackay and his young wife. Sunday was their day of leisure and amusement. Mackay worked "like a demon," as his servant has said, but he was able to escape, whole-heartedly, when the desk was closed. At the age of sixty he was once discovered in his room, trying to do circus balancing tricks with two chairs. And he was not above making faces at children in railway carriages.

James Mackay had what his wife chaffingly described as his "business face," but he could lock it away with his papers and enjoy a lazy Sunday. They rode together almost every day in Calcutta, out into the jungle which surrounded the city. On Sunday they came home about ten o'clock, to prepare for what was a pleasant little social custom in Calcutta Society during the 'eighties. The bachelors and the married men, who had been busy in their

## *Religion*

offices during the week, called upon hostesses, without their wives. The reception lasted until luncheon-time. The afternoon was quiet and Mr. and Mrs. Mackay spent it together, alone. Sometimes they read aloud—from the little library of books which they had brought from Arbroath. He knew pages of Scott and Kipling by heart. His taste in books was with the sturdy and lively writers, and he often held the mirror up to both his love for the hills and his happy married life by quoting the opening verse of Kipling's "An Old Song."

" So long as 'neath the Kalka hills  
    The tonga-horn shall ring,  
So long as down the Solon dip  
    The hard-held ponies swing,  
So long as Tara Devi<sup>1</sup> sees  
    The lights o' Simla town,  
So long as pleasure calls us up,  
    And duty drives us down,  
*If you love me as I love you,*  
*What pair so happy as we two ? "*

James Mackay was ambitious, but even when he tasted the first fruits of prosperity he talked to his wife of early retirement and of the home they were to make together in some quiet Scottish retreat. This was to be when he reached forty and was old enough, as he thought, to give up the fight. On Sunday evening they went to the cathedral. James Mackay's need for religion was calm. He was a contented man, and he did not seek to alleviate

<sup>1</sup> The hill overlooking Simla.

## *Church-going in Calcutta*

the disappointments of this world by restlessly hoping for better things in the next. He found the problems of life too enthralling to allow for discontent or feasts of sour grapes. He thought that sane living in this world brought sufficient rewards, without anxiety over what might await one after death. He went to church more regularly as a married man, but as a bachelor, snipe shooting lured him out into the country almost every Sunday during the season. His chief partner in London, Mr. Peter Mackinnon, was deeply religious, and he wished James Mackay to keep in touch with the Free Kirk people when he later moved to Calcutta, and Mackay wrote that this was his wish also. He kept his promise as far as the social life with his countrymen was concerned, but he did not give up his shooting on Sunday. Mr. Peter Mackinnon arrived in Calcutta and stayed with Mackay. On Sunday, Mackay looked wistfully at his guns and then suggested that the party should, "as usual," start for church. They arrived to find a notice on the building, announcing that it had been closed for some months, for repairs. A brief note in Mackay's reminiscences tells us that he "nearly lost" his job.

James Mackay did not cry for the moon, nor was he a snob. But in the early years of his marriage he had a childlike wish to see his wife assume a social position in India, where precedence was ridiculously important. Merchants counted for little in the social procession and their wives sat at the dismal end of a dinner-table. The great social honours fell to the officials, and Mackay saw no hope of more than material gain from his hours of

### *Ambition*

industry. One of the relaxations in Darjeeling was in a smart new skating rink, to which Mr. and Mrs. Mackay went once or twice a week. The band and the scene were gay, and among those who used to skate with Mrs. Mackay was a friend who liked to murmur the tunes of the band as he skated. One evening he had been talking to Mrs. Mackay of her husband's talents and, carrying the conversation on in a whispered song, to the music, he sang : " He Star of India sure will get. He Star of India sure will get."

Afterwards Mrs. Mackay repeated the little joke to her husband and he said : " But they'll never give me that. I am not a Government official." James Mackay had only to wish for success for it to come to him. The Star of India was given to him in 1910, and in 1924 he was made Knight Grand Commander of the Order.

From the beginning, fortune and honour fell about him. One Sunday morning, in Calcutta, his wife entertained the bachelors and married men while James Mackay was out snipe shooting. Among the guests was Sir Andrew Scoble, a senior member of the Viceroy's Legislative Council. Sir Andrew drew her aside and said that he had called to invite her husband to become a member of the Council.<sup>1</sup> He would be a mercantile member and walk at the heels of the judges of the High Court. Mrs. Mackay ran away from her guests for a moment. She knew that the members of the Council were allowed a personal messenger, dressed in scarlet. She picked up a

<sup>1</sup> James Mackay was appointed an additional member of the Viceroy's Council, in 1891, "for the purpose of making laws and regulations."

### *The Viceroy's Council*

sheet of paper and drew such a servant in red ink. She pinned this to Sir Andrew's card and left them on her husband's desk. When he came home he was a little bewildered. "What does it mean?" he asked her.

"You are to be a member of the Viceroy's Council," Mrs. Mackay told him. His position was now assured, and his wife was guaranteed the compliment of a high place at the tables of Calcutta Society. He was an official, at last, in a country where the rungs of the social ladder were carefully numbered.

1883-1890

There was no end to James Mackay's astuteness in business. Many of the big plums of Indian trade were still waiting to fall into the right hands and Mackay did not miss his opportunities. There must have been a humorous and picturesque side to this young, lively Scotsman, travelling to his office through the streets of Bombay in a palanquin, borne on the shoulders of four hamals. He abandoned this stately way of progress when he went to live out of town, but he did not slacken in his zealous pursuit of the chances of making money for his companies. He accepted invitations to the entertainments and parties of the Indian merchants, and he went so far as to join in some of their religious rites. Old Shivram Ramchandra recalls how he "completely identified himself with the sentiments of the Indian merchant community" by celebrating the "Coconut Holiday" with the Bombay merchants. "They all went out in a lamieh, off Colaba Point, and propitiated the sea, in favour of the safety of the coastal ships after

### *Astuteness*

the monsoon, by throwing a small gold coconut into the water." The Bombay merchants were delighted, and Shivram Ramchandra tells us that, very rightly, "the cost" of the little gold coconut "was debited to the company."

When Lord Inchcape spoke at the Calcutta Dinner, in 1911, he compared the new India with the time of his apprenticeship.

"The English mail took three weeks and a half to get to Calcutta ; the railway journey across India took seventy-two hours ; the line from Sara Ghat to Darjeeling had not been made. It took something like four days to get to Simla, horse and bile gharry across the Guggur from Umballa to Kalka and tonga the rest of the way ; but the prosaic screech of the engine whistle and the grinding of the wheels of the railway car are now displacing what Kipling had immortalized in verse—the ring of the tonga-horn 'neath the Kalka hills and the swing of the hard-held ponies down the Solon dip.

"It took four to five days from Calcutta to Rangoon in steamers of 800 tons, while the passage now in 5,000-ton ships takes little over forty-eight hours. The favourite change to restore one's health after the rains was a trip during the Poojah Holidays to the Sandheads in a Hooghly tug—very often marred by a cyclone and invariably accompanied by a shortage of soda-water and ice. Our baths were mostly filled from the tanks in the compounds ; there was no electric light and there were no electric fans. Palkies were as common as ticca gharries in the streets ; the principal medical practitioner was Dr. Ferries, the chemist ; and the leading artist was Dave Carson. Snipe shooting was more easily got then than, I understand, it is now ; the Cathedral was better filled of an evening, probably because there was no band on Sunday nights at Tollygunge. The rupee was

### *A Tribute*

worth nearly 2s. ; and no vessel could be induced to load home under 50s. a ton, as a lower rate meant ruination to the owners ! —we are uncommonly thankful if we get 18s. 9d. now. The P. & O. Company refused to carry tea because it required careful stowage ; there were only eleven jute mills in Bengal, containing 2,737 looms, as against forty-three mills with 32,711 looms to-day. In 1874 the quantity of tea exported from India was 21,000,000 lb. as against the export last year of 257,000,000 lb. In 1874 the amount of coal exported from Calcutta was 4,000 tons ; last year the export was no less than 3,986,000 tons. In 1874 the open railway mileage in India was 6,250 miles, against 32,105 miles to-day ; and the total revenue of the country then was £36,000,000 sterling, as against £80,000,000 sterling now, although the salt tax at that time ranged from Rs. 1-13 to Rs. 3-4 a maund, against a uniform rate of one rupee to-day.”

Many of the friends and associates of the years in India remained with James Mackay as his colleagues in the later, prosperous life in England. One whom he entrusted with the office of trustee was Mr. H. H. Macleod, a director of many Indian companies. Mr. Macleod was with Lord Inchcape in India in the 'eighties, and his analysis of the character of his chief is interesting ; all the more so because it is not spoiled by sentimentality or undue adulation. Mr. Macleod has written :

“ In India I was in a sense one of his many competitors and I well remember how on one occasion I offered him a quarter of a million tons of freight at a certain figure. He shook his head. ‘ I cannot accept the rate you offer. That way lies bankruptcy.’ I threatened to build a ship if he refused the freight offered. He was adamant. The rival ship was duly

### *His Talents and Integrity*

built—one of Doxford's Turret boats, but Lord Inchcape promptly placed an order for two larger boats with Doxford's, the intention being to run the smaller boat off its legs. This little incident, however, never affected our personal relations. He harboured no resentment. It was all part of the game, and his master mind travelled too fast for the struggling competitor. His horizon was the World itself. He could think in millions with the same facility as he could discuss a working cost or an overhead charge worked out to decimals. He was equally at home in dealing with the rupees, annas and pice of India, the rupees and cents of Ceylon, Straits and Hongkong dollars, and with sterling. He had the rare gift of being able to think in the currencies of their respective countries. He possessed a remarkable memory, and it was quite usual for him to quote a figure which, on reference, proved startling in its accuracy. Lord Inchcape was a strenuous worker and he expected his lieutenants to keep up to his own high standard.

"It has been stated that he was a *hard* man, and if an intensive and undeviating determination to secure efficiency at all costs spells hardness, he was certainly hard ; but his high sense of duty assured him he was acting in the best interests of the great undertakings he administered, and he had no illusions as to the necessity for his single-minded code of action."

## CHAPTER EIGHT

*The increasing wealth of Indian traders—Lord Lansdowne's interest in James Mackay—The affairs of the Currency Association—James Mackay's mission as delegate to the Herschell Committee in England.*

1883-1890

THE STORY OF JAMES MACKAY'S MATERIAL PROSPERITY IN India may be found in the healthy statistics of the companies which he helped to direct. The records of trade for his own concerns grew as an integral part of the national interests. The imports into India were valued at £36,797,690 in 1880 and at £44,732,027 in 1890. The exports were almost the same for both years—£25,966,208 in 1880 and £24,589,047 in 1890. In 1880, 1,592 British ships passed through the Suez Canal, with a net tonnage of about two and a half millions. In 1890, 2,522 ships passed through, and the building of bigger vessels in the meantime sent the tonnage figure up to almost five and a half millions. Ships of all nationalities using the Canal in 1880 numbered 2,026, with a tonnage of three millions. Ten years afterwards 3,389 ships passed through, with more than twice the tonnage—6,890,094.

In these years of prosperity the Suez Canal was widened and deepened to carry the bigger vessels trading between European ports and the East, and the slim 72-foot channel which had been opened by the Empress Eugene in 1869

## *Public Offices*

was increased to 121 feet in 1898. (The present width in 1935 is 196 feet 10 inches.) The maximum draft of vessels using the Canal increased from 24 feet 7 inches in 1869 to 25 feet 7 inches in 1890. Almost every year since then, the Canal has been deepened, and in 1930, the record draft of 33 feet was recorded.

These bald figures are a key to the romance of Britain's trade with India, and they embellish the more personal story of James Mackay's growing power in the firm of Mackinnon Mackenzie, of which he was made senior partner in 1905. His self-assurance and industry did not abate with honours, and although his methods of doing business were often original and surprising for their courage, conventional recognition came to him in various forms of office. He was a member of the Port Commission for the record term of nine years, and in 1891 he was elected Sheriff of Calcutta. He was president of the Bengal Chamber of Commerce from 1890 to 1893, chairman of the Currency Committee in 1892 and, as described in an earlier chapter, he was chosen to be a member of the Legislative Council of the Viceroy from 1891 to 1893. If the prizes that came to James Mackay were conventional, the way by which he won them was brightened by originality which denies our ordinary conception of the British business man in India. When a big financial house in London found itself temporarily unable to meet its commitments, the office of the representatives in Bombay was closed. Messrs. Mackinnon Mackenzie & Company used part of the same building as offices, and the Court Registrar put a seal on the front door, thereby closing the

## *Growing Judgment*

premises of Messrs. Mackinnon Mackenzie as well. The doorkeeper hurried to James Mackay with the news at seven o'clock in the morning. Mackay went to the office and broke the Court seals with his own hands. He removed the more vital and secret books of his company to his house before the European business life in Bombay was astir. This defiance of the law might have wrecked a less fortunate man, but the light of success never seemed to fail him in either quiet industry or acts of bravado.

In the records of 1911 we come upon an incident in which we see the more mature man, still spontaneous in his actions, but now, through calmer judgment, able and willing to see his own error and correct it. He was on one of his visits to India in his tireless care of the welfare of the British India S.N. Co. when some trouble with one of the senior chief engineers of the company was referred to him. Without investigating the matter too deeply, he sent for the alleged offender. Fortunately, the engineer was a Scotsman and a "Mac," so the two men spoke a common tongue. "You are dismissed" was the gist of Mackay's judgment. The engineer was on his way out when he met one of the junior partners on the staircase. "Sir James has dismissed me from the company's service," Mac announced.

The young partner was also endowed with powers of judgment. "Will you go to my room and wait there until I come back?" he said. "Mac" agreed, and the partner sought Sir James Mackay in his office. He also had a little of the master's courage. He said: "Sir James, you are making a mistake in dismissing that man. He is

### *His Great Opportunity*

the most respected engineer in the fleet. They will all stand by him to a man."

Sir James was willing to listen. "Send him up again to see me."

This time the tyrant softened. "Sit down, Mac," he said. Then Sir James Mackay stood up and said: "I want you to put yourself in my place and imagine that you are chairman of the company and that I am a chief engineer on the mat for a breach of regulations. What would you do?"

"I would sack you—you—" was the answer.

The epilogue was obvious and simple. They both laughed; the chairman took the engineer's hand and said: "Mac, we understand each other, and whether you or I am wrong, the incident is forgotten. Go back to your ship and continue to deserve the respect of your brother craftsmen."

1890-1892

Up to the end of 1890 James Mackay knew few men who were not either soldiers, sailors or merchants. Looking back from this time, one sees that he had spent most of his years in the narrow way of commerce as far as interests and opportunities were concerned. This way first broadened when he was elected a member of the Viceroy's Council. He was fortunate in the new and important sphere, for his mentor and friend was the Viceroy, Lord Lansdowne. If the Viceroy had been a different type of man, James Mackay's talents might have been nipped in the bud. But, as a councillor, the young Scottish merchant found himself coming nearer and nearer to a man in whom

### *Lord Lansdowne*

he could believe, and who must have been an inspiring master to any novice in the science of government. Their friendship became lively and sincere, so we may be allowed a picture of the man who was guiding the fortunes of India at the time, since he takes an important place in James Mackay's story. His title and material inheritance were the least of Lord Lansdowne's recommendations. From the beginning the family of Petty had won their honours through courage rather than sycophancy. Every now and then, in their long and distinguished story, the family had been stimulated by new and fiery blood, which saved them from wilting in a rarefied atmosphere. Lord Lansdowne's mother was a daughter of Flahault, the aide-de-camp of Napoleon I, and Flahault himself was supposed to be the son of the engaging and wicked Talleyrand. We are therefore allowed to expect something more than convention and phlegm from Lord Lansdowne, as the head of the British Raj of India, and as the Mæcenas who guided Mackay into the wider fields of government and diplomacy.<sup>1</sup> Mackay's story was of a boy who rose from a simple beginning to the eminence of the peerage by way of his talents. Lord Lansdowne began at the other end of the ladder. He inherited his title while he was still studying under Jowett, at Oxford. He had already justified his inheritance with

<sup>1</sup> Future history proves how right Lord Lansdowne was to make use of the talents of the Commercial European Community to assist the Viceroy in the governing of India. A precedent was created and, with very few exceptions, since 1893 every succeeding senior managing partner of Mackinnon Mackenzie & Co. has been both President of the Chamber of Commerce in Calcutta and a member of the Legislative Council of India.

### *Viceroy and Councillor*

talents which had been eulogized by Gladstone and Disraeli. Disraeli had watched him with great favour, and while he was still in his early thirties, the Prime Minister had written to Queen Victoria of him as "one who in due season might be rightly honoured" by her "highest confidence." At thirty-eight Lord Lansdowne was Governor-General of Canada. He returned to England with the glamour of success and he was high in his Monarch's favour. At forty-three he was Viceroy of India—the youngest Viceroy ever chosen. He arrived in Bombay to assume his illustrious office in December of 1888. By this time James Mackay was one of the most important merchants and one of the most inspiring and dynamic personalities in local Calcutta affairs.

The vast, rich country had already changed during the years of James Mackay's life in Bombay and Calcutta. The vague and distant land, in which Clive had had to wait for a year before he received an answer to his proposal of marriage, was coming nearer to England through the advance of shipping and nearer to British thought as her affairs became more tangible to the insular Britons. The hazards of a career in India became less exciting and the responsibilities of the Viceroy less onerous as Whitehall and Westminster took up more of the reins of control. The adventurous chapters of India's story ended when its destiny became a political shuttlecock in the "ignorant and mischievous assembly" of the Commons : when the questions over its future became "a promising field for earning Parliamentary distinction." This was the relationship between Great Britain and India at

### *Lord Lansdowne's Praise*

the time when Lord Lansdowne became Viceroy and when, a few years later, James Mackay became one of his councillors. Lord Lansdowne was pleased by the appointment. "I am delighted," he wrote to Mackay, on February 4th, 1891. "I hope you will allow me to add that it is most agreeable to me to have you for a colleague."

As early as March of 1891, Lord Lansdowne had reason to praise the young councillor in a letter to the India Office. A new Bill had stirred "a strong feeling of irritation" in Calcutta. "Fortunately for us," the Viceroy wrote, "the new Calcutta member of Council, Mr. Mackay, who is an extremely sensible man, accepted the Bill with good grace." In December the Viceroy was alarmed by the famine in districts of Madras and especially concerned by the threat that commercial interests would corner the grain and exploit the starving people. He received James Mackay one evening and talked over the problem, and next day Mackay sent him a letter outlining a plan for "establishing confidential agencies" for the sale of food-stuffs in the famine-stricken districts. He suggested that his firm should organize these agencies, without profit. "My assistants would not know they were not working on my firm's account, nor would anyone else," wrote Mackay. Lord Lansdowne was grateful and, although it was not necessary to take advantage of Mackay's offer, he wrote: "I have myself no doubt that the appearance or threatened appearance of your firm upon the scene would lead to the collapse of any attempted corner. . . ." Lord Lansdowne's private letters show that the new recruit to

### *Indian Currency*

his Council came more and more into his confidence and, in the files of October, 1892, we find him writing to the Secretary of State of Mackay as "a shrewd and persevering Scotsman. . . . I have always found him trustworthy and well disposed."

During the first few months of James Mackay's work as a councillor many notes were exchanged : they still exist, to show that Lord Lansdowne was grateful for advice and, through interest in Mackay, anxious to encourage and advance him. A circular which Mackay sent to the members of the Bengal Chamber of Commerce was judged to be "perfectly safe" by the Viceroy, and a letter which he sent to *The Times* was also approved. "I think your letter will do good," wrote Lord Lansdowne. Within a few weeks "Dear Mr. Mackay" became "My dear Mackay." They also shared their love for snipe shooting on Sunday. When Lord Lansdowne went to early church, "in a virtuous fit," he was so bored that he returned to breakfast "in a very un-Christian-like frame of mind;" and even after a long day and night of gay celebration in the palace of the Begum of Bhopal, he did not mind rising to shoot snipe at six-thirty in the morning. This was a state of mind which James Mackay could honour and appreciate. When Mackay had served on the Viceroy's Council for a year, Lord Lansdowne proved his faith in him by asking him to proceed to London to give evidence on Indian currency before Lord Herschell's Committee.

Sir William Wilson Hunter, in *The Indian Empire*, describes the fall of the rupee as the "most serious difficulty" with which Lord Lansdowne had to contend

### *The Fall of the Rupee*

during his term in India. “The demonetization of silver by Germany and other Western nations, together with the increased production from the silver mines throughout the world, caused a steady depreciation of the silver currency of India (1874-1893). The rupee, which formerly was nearly equal to two shillings, had fallen to nearly fourteen pence ; thus greatly increasing the burden of the interest on the gold debt of India and of pensions, public works material, military stores or equipment, and other charges payable in England in gold.”

Early in the summer of 1892 Mr. Gladstone was again, and for the last time, Prime Minister. The Queen wrote of her alarm to Lord Lansdowne : of the “danger” to her Empire now that its great interests were entrusted to “the shaking hand of an old, wild, and incomprehensible man of eighty two and a half.”

There were a few consolations in her great distress. She wrote frankly and in gratitude to Lord Lansdowne, because she had “so able and reliable a Viceroy in India.”

Lord Lansdowne was naturally anxious as to who was to be the new Secretary of State for India. He was relieved and “pleased,” in August, when he learned that Lord Kimberley was the Liberal who had been appointed. In his first letter to the new Secretary of State, Lord Lansdowne referred to the Indian currency question which was becoming “more serious every day.” He wrote : “I see nothing for it but a gold standard, with, of course, a currency mainly of silver. . . . The discontent in the service is becoming formidable. . . . It is not only that the men

### *Indian Currency Association*

who are in the employment of the Government of India are suffering cruelly, but we shall, unless I am mistaken, find that, as time goes on, we cannot get the same class of men to enter the service. . . . Moreover, the men now in the service will be tempted to take their pension as soon as they can and clear out of the country. The outlook is altogether a very alarming one. . . .”

In June of 1892, James Mackay had been asked, for the second time, to be President of the Indian Currency Association, which had been formed to urge the seriousness of the fall in the rupee upon the British Government. The first time he had refused because his fellow-members of the Bengal Chamber of Commerce (of which he was President) were “not altogether unanimous” in their views on the subject of currency. When the request was repeated Mackay offered to resign from the Chamber of Commerce so that he could give his energies to the universal and alarming cause of the rupee, but his resignation was not accepted. In the address which he made to the members of the Association, at Simla, in June of 1892, James Mackay made his first public plea for the establishing of a gold standard in India.

“ Gentlemen, the object of this Association will be to press upon the British Parliament and upon the Government of India the absolute necessity which will exist to adopt a gold standard for the currency of this country. . . . Twenty years ago our rupee was worth four and twenty pence, while to-day it is worth less than sixteen, and a few years hence, if left to the mercy of politicians, silver producers and blind chance, it may be worth less than twelve. It is a great misfortune for India

### *James Mackay's Help*

that its currency question was not tackled by the Government twenty years ago, while the rupee was worth two shillings, but it will be a still greater misfortune if the question is permitted to drift again till the value of the coin is ten instead of sixteen pence.

" In a recent article in *The Times* you will find it stated that 'the fundamental fact to be taken into account in dealing with silver supply is that the metal can be, and if the demand is sufficient will be, produced at prices far below any that have hitherto ruled.' Now, gentlemen, with such a state of matters in prospect and with the probability that one country after another will abandon the silver standard, I think the Government of India and the British Parliament will be guilty of nothing short of wickedness if they allow the currency of this country to continue on a purely silver basis.

" Gentlemen, I think I am safe in saying that in advocating the introduction of a gold standard into India none of us would recommend attempting to fix the value of the rupee at a figure as high as two shillings. The time for that went by fifteen years ago. But what we will do is to urge upon Parliament the paramount necessity for permitting the Government of India to adopt a gold standard for the currency of this country at such a ratio as may be deemed expedient at the time."

There followed an analysis of the currency problems of India which must have amazed James Mackay's listeners. Every facet of the subject was illuminated, not with theories, but with practical suggestions and information which Mackay had gathered during the years of his commercial experience. He said that he had been shy of the idea of a Currency Association at first : especially when he knew that its cradle was Simla, which he described as " the hotbed of

### *The Viceroy's Pupil*

officialism." Then he had jumped to the conclusion that it would do no more than "advertise the hardships under which officials in this country were labouring." When he knew that "the great national currency question" would not be put aside, and that the Association was not to exist merely "to secure a better exchange for officials," he had rejoiced. Here was the frankness which added a refreshing taste to most of what he said in public.

He spoke at public meetings in the Calcutta Town Hall during July and August. While these speeches were stirring the merchants and officials to interest in the cry for a gold standard, a petition to the British House of Commons, drawn up by the members of the Association, was on its way to England.

The Viceroy watched his pupil with interest : and more confidential and helpful notes were exchanged between them. The advantages of the friendship were not all on the side of James Mackay. Lord Lansdowne was fortunate in his *shrewd, trustworthy* councillor, who could be relied upon not to enjoy the brief delight of gossip. Mackay had remembered and honoured the advice of his early employer : "Now, Jeemie . . . not a word must go out of the office, either black or white."

One day in September, James Mackay and his wife joined a picnic party at Naldera, in the hills. As he was returning home, in the evening, he saw one of the Viceroy's splendid messengers riding along the narrow road. The messenger brought a letter to him from the Viceroy. Would Mr. Mackay proceed at once to England and give evidence on the question of currency before Lord Herschell's Com-

### *A Witness in London*

mittee? The eager boy was still alive in the man of thirty-nine. He sent his answer, "Yes," and almost before his wife could realize what had happened she was aboard ship with him, bound for England. Lord Lansdowne was pleased by the quick and willing decision. "I am delighted to know that you have decided to go to England," he wrote. "It will be a forced march, but do not allow yourself to doubt whether the effort is worth making.

" You will be able to give the Committee a great deal of information which no one else could give it, and even if this were not the case, the fact that you will have been consulted cannot fail to reassure the public mind here. . . . Good luck to you and may the double voyage be as durable as it can."

The industrious business man spread his wings for more ambitious flights. He was returning to London as the Viceroy's chosen witness : the same London into which he had ventured from Scotland, as an ambitious clerk, twenty years before. The recent years as President of the Chamber of Commerce and Sheriff of Calcutta had already promised him a bigger world. In 1891 he had been created Commander of the Indian Empire, "in recognition of the extension of commercial relations between England and India." But the horizon of his powers was to be far greater than this. At the critical moment in his life it was fortunate that India was prospering under a Viceroy who could appreciate Mackay's original and remarkable talents. By giving Mackay his encouragement and friendship, Lord Lansdowne directed his pupil's talents along pleasant and important ways.

### *Lord Herschell's Committee*

James Mackay had been contented during the years of his work in India. He liked the Indian people and he enjoyed the climate. He returned to London in November, and through the seventeen days of his brief visit, he suffered from neuralgia and never once saw the sun. The physical set-back and the gloom might have weakened his arguments and his evidence if he had not been a man of unusual determination. He was now facing men who thought of India in more general and detached terms than the eager and bigoted merchants of Calcutta and Bombay.

Lord Herschell, before whom James Mackay was to speak on the need for a gold standard for India, was not a conventional chairman of committees. Lord Morley has described him in his reminiscences as "consummately skilled in command of apt legal words, ingenious turns of sentence, and all the arts of stopping one hole without opening another."

We are able to turn to a contemporary of Lord Morley, Sir Arthur Godley, who was afterwards a great friend of James Mackay, for a picture of the appearance and force of the witness who appeared before the critical examiner. Sir Arthur Godley (afterwards Lord Kilbracken) recalls the Herschell Committee in his reminiscences :

" . . . I was, during my long tenure of office, concerned in a good many interesting and important affairs, but none stands out more clearly in my memory than the establishment of a gold standard in India ; a measure about which the public knew little and cared less, but which was nevertheless of the utmost importance not only to India but in a less degree to the world at large. It is difficult now (1916) when the advocates of the gold

### *A Tribute*

standard have apparently triumphed in all parts of the world, to realize how strong and bitter was the opposition which they had to encounter in the year 1893, when the struggle began. Lord Kimberley, who was then Secretary of State, appointed a small committee, with whom the decision virtually lay. The Lord Chancellor, Lord Herschell, was an admirable chairman, and the other members were Lord Farrer, Bertram Currie, Sir Richard Strachey, Lord Courtney, Lord Welby, and myself. We held frequent meetings during a period of seven or eight months, and examined a large number of witnesses, most of whom were bankers and merchants of various kinds engaged in the Indian trade. The majority of them were opposed to the gold standard, but the remarkable thing was that, with two exceptions . . . not one of them seemed to have any real understanding of the matter. Many of them were men of great ability, who had made large fortunes ; but they had been content with rule of thumb, and had evidently thought little, if at all, about causes, principles, and problems. After examining a number of men of this kind, it was no small relief to the Committee when Sir James Mackay, now Lord Inchcape, then Chairman of the Calcutta<sup>1</sup> Chamber of Commerce, began to give his evidence. He was a man who had not only been very successful in business, but thoroughly understood the questions at issue, had thought the subject out in all its bearings, and was well able to defend and justify the faith that was in him. His answers were most illuminating and helpful, and undoubtedly affected the Report of the Committee, who were unanimous in favour of the gold standard."

Lord Kilbracken was governed by the restraints of the experienced diplomat, and his tribute to James Mackay's

<sup>1</sup> James Mackay was, of course, President of the Bengal Chamber of Commerce at this time.

### *The Viceroy's Congratulations*

evidence before Lord Herschell does not need to be discounted. The unusually long newspaper reports of a speech which Mackay made before the Manchester Chamber of Commerce show that even the sophisticated reporters became busy with their pencils. They also knew that it was no ordinary witness who had come home to place India's case before Lord Herschell.

Mackay hurried back to India when the seventeen busy days were over, and he found a company of delighted business friends and an enthusiastic Viceroy, who greeted him with increased confidence and friendliness. "Welcome back!" wrote Lord Lansdowne. "I hope you are none the worse for all the hard work you have gone through. I wonder whether you would look in upon me on Sat<sup>y</sup>? I shall be at home all the morning. 1-30 would suit me very well, but name your own hour."

James Mackay's blood was still free from the bacteria of pomposity. The first taste of fame and importance did not lessen his originality, nor did it weaken his courage. He escaped the dangerous tag of "safety first" which destroys the powers of so many potential leaders. Nor did his love for mischief die. One of his children has written of him: "How can dry notes and documents show you his humour, his magnetism and his mischievousness? There was a lot of the imp in him up to the end, and it was this that made him so lovable. One forgave him over and over again, *really* forgave him for occasional acts of injustice and constant unreasonableness."

## CHAPTER NINE

*Return to England—Increasing friendship with Lord Lansdowne—Plenipotentiary to China—The China Treaty—Election to the Board of the Suez Canal Company.*

1893-1901

LORD LANSDOWNE AND JAMES MACKAY RETURNED TO England about the same time : the one because his term as Viceroy was ended and the other to assume more important work in the London office of the British India Company. James Mackay had left England when it was still ruled by the great Queen. He was a son of Mid-Victorian principles, and he had been accustomed to the restrictions of the old regime. When he came back, in middle age and in prosperity, to make his home in England once more, he found that many of the traditions to which he had been trained had passed away. The industrial revival and the avalanche of riches which had come to the country in its wake had shaken the complacency of the old order. Strange cries had been heard : cries for freedom, education and leisure. Beside the old Queen at Windsor, there waited an enlightened heir who rode in common hansoms and smoked cigars in drawing-rooms. The old restrictions were perishing. The Prince had already announced the spirit of the coming century by saying : “Class can no longer stand apart from class.” The British people had listened to many new voices during the years of Mackay’s

### *In England Again*

exile in India. They had seen Joseph Chamberlain grow from being a wild Radical into a trusted Minister of the Crown, described by the Queen as "firm and strong." They had seen the golden age of Gladstone and Disraeli passing away, and they had seen the bulwarks of society broken down by rich intruders. The sons of humble brewers had become peers and the descendants of Jewish money-lenders were admitted to the parties at Marlborough House. The new age was frank and vulgar. It worshipped money and it hoarded all that money could buy. But it also opened up the way by which men of talent and character could conquer the heights of fortune and public success.

A man with James Mackay's enterprise, knowledge and perseverance was bound to take his place in this advance. He did not worship money as a possession, although he enjoyed the power which it gave to him. His Scottish pride and dislike of humbug prevented him from forcing his way into a society which might have blurred his ambition. In the brilliant career which was now opening for him he earned and won his honours which came through merit and never through purchase. (Once he was asked by a banker for the key to his success. He answered : "I never fail to keep my word and I always clear up my desk at night.") Since he returned to London on the crest of the wave of riches, it is surprising and important to remember that James Mackay was not a wealthy man after his years of success in India. His great fortune was yet to be made. Indeed, the smallness of his capital after his industry in the East would surprise those cynics

### *To Australia*

who so easily accuse Anglo-Indian merchants of bleeding the country and exploiting Indian labour. But Mackay was already a man of established position, if of no more than comfortable fortune, and his powers with the British India Company were such that he could now dictate policy and command his own time. For a moment he turned to British politics, in which he had never shown great interest before, although he was a declared Liberal. Again it seems that Lord Lansdowne must have influenced him. There is an early letter in which the Viceroy wrote to Mackay congratulating him on his K.C.I.E. and adding : "I hope you may soon have the letters M.P. also to add to your style and title." Sir James was nominated as candidate for Plymouth and he made one or two election speeches. He was apparently bored by the previously hidden intricacies and conventions of the political machine. He soon abandoned the plan after his near sight of what a political career would involve. For some time he devoted all his energies to his business.

Early in 1900, Sir James and his wife travelled to Australia for the first time. The visit was to have far-reaching influence on Australian shipping, because of Sir James's foresight, and a record of the events leading up to his journey is called for. In 1887, the goodwill and assets of the Australian Steam Navigation Company, which traded on the Australian coast, were bought by the British India and Queensland Agency Company, who acted as the sub-agents in Australia of Mackinnon Mackenzie and Company, of Calcutta.

They were joined in this venture by Messrs. William

## *Coastal Shipping*

Denny Bros., the Glasgow shipbuilding firm, which has always done a great deal of work for the British India Steam Navigation Company. The next step came a few months later when the syndicate sold their shares to the newly-formed Australasian United Steam Navigation Company, which also acquired the Queensland Steam Shipping Company. Sir James Mackay had been drawn into the concerns of the company in 1894, after he returned to England from India. He was elected to the Board of the A.U.S.N. Company and, with his usual eagerness, he soon became a power in directing the fleet to new successes, especially in connection with the shipping of coal from Newcastle and the freezing and shipping of Australian mutton to England. But the way was not smooth and, in 1899, the London directors were so anxious over the unhappy state of the company that Sir James volunteered to make a visit of inspection. He was absent for about eight months and, during this time, he planned the re-organisation of the company's affairs on the coast. As he travelled about Australia, he allowed no opportunity for learning to pass him by. In each city he paused to work in the office of his firm, actually assuming the responsibilities of manager and writing the branch letters to the head office. He inspected the ships of the coastal fleet and he criticized them. He prepared long reports on the future chances of increasing trade, and, in a little folder, he wrote down the name and address of every man whom he met and talked to. He returned in May of 1901, armed with a detailed description of Australian trade which must have been invaluable to the enterprising directors in London.

### *New Schemes*

Sir James decided that the weak spots in the Australian coastal trade were the insufficiency and antiquity of the ships and the strife between the various companies competing for the trade. He considered that this waste of energy in antagonism was prejudicing the progress of the Commonwealth. With the quick decision which was to become a characteristic in all his later negotiations, he picked his man . . . the man who was to instil the new spirit into coastal shipping in Australia. There was a Scotsman in Australia, waiting to fill the role. B. W. Macdonald had been Mackay's contemporary in London. He had served the firm in India, but had been sent home, in despair of his life. The doctors advised him not to return to the East, but they allowed him to work in Australia, where there was none but a subordinate appointment open for him. Sir James knew him and liked him. He telegraphed for him the moment he arrived in Australia, and Macdonald was transferred from the small outport in which he was exiled to complete control of the office in Brisbane. Having found the man to govern the affairs of the agency, Sir James set about bringing peace to his competitors. He was a strong influence in persuading the warring companies to form a pool, and divide the spoils of the coast as fairly as possible. When the constitution of the pool was settled, Sir James played a lone hand on behalf of his own company, observing the rules set down for the division of the trade, but soon stimulating the coastal service with new steamers in which Australians were able to travel from port to port with comfort almost equal to the contemporary ships of the P. & O. fleet. These ships

### *Australian Legislation*

were years before their time in comfort, catering and sanitation.

Following the lead of the A.U.S.N. Company, the other companies in Australia improved their fleets, and so competent and modern was the organization of the coastal shipping in 1912 that the Australian Government passed an act prohibiting the shipping of cargo or the carrying of passengers between Australian ports, except by coastal steamers. The act, which was such a blow to overseas ships, did not operate until 1921, because of the complications during the war, but it is still a powerful protection to the fortunes of Australian coastal shipping companies, much to the chagrin of the English shipping companies trading with Australia. Sir James's initial work on behalf of the coastal fleet has been almost too successful, for the ships of the companies he directed from London are now penalized in Australia to a fantastic degree. The food and drink served to passengers as they skirt the Australian Coast is taxed by the Federal Government, if it is not of local origin or manufacture. Even the trinkets one buys in the barber's shop for two and sixpence, before Fremantle, may cost three shillings in Australian waters.

Sir James continued to foster the affairs of the Australian agency when he returned to London. In time, it became a family concern, and to-day, two of Lord Inchcape's nephews, who worked as juniors under Macdonald, are now in charge, with Macdonald's son as a junior partner. Sir James Mackay's brief visit to Australia in 1900 and 1901 was not an interlude; it established his power and his influence in Australian shipping, for its good as well as his own.

### *Relationship with Lord Lansdowne*

For some time after he arrived back in London, Sir James worked diligently at his desk. He added banking and railroads to his interests and was appointed a director of the Chartered Bank of India and of the East India Railway Company. But these duties were not enough. The ability which he had shown in local government in India and as a witness before Lord Herschell still needed a field beyond his office. Again it was Lord Lansdowne who was his mentor.

When he first arrived home from India, Lord Lansdowne had been delighted to be able to live at Bowood again and on his place in the west of Ireland. He had always said that his notion of happiness was "breeding pigs and planting trees." He had not been allowed to remain in this seclusion for very long. In June of 1895 he was appointed War Secretary, and while his London house was let he took a house in Connaught Place, not very far from the house which Sir James Mackay had rented in Marlborough Gate. For a year or so their interests were divergent, but they sometimes dined together to talk over Indian affairs and they often met in the Park, where Lord Lansdowne drove his dogcart. Their relationship assumed the security of friendship and an intimacy which had not been possible in India between Viceroy and councillor. When Lord Lansdowne was appointed Foreign Secretary in 1900, under Lord Salisbury, he waited for Sir James's return from Australia and then urged him back into public life again. Sir James had already been appointed to the India Council as representative of the commercial community. In the India Office he came into the company of

### *Friends in the India Office*

men like the Secretary of State, Lord George Hamilton, and Sir Arthur Godley. There are big bundles of letters to show that he soon imposed his will and knowledge upon his fellow-councillors. In Government affairs as in commerce he had a capacity for clearing extraneous matter from the core of truth and for elucidating arguments. Also, he soon broadened his view of Indian affairs to suit the less localized control of the India Office. These qualities soon showed him to be of great value in conference. Again and again one comes upon letters in which Ministers, councillors and members of the permanent secretariat appealed to him for advice, especially when they were called upon to prepare statements to be made in the Commons.

Sir James knew India well and he saw its problems with neither the mercenary view of a merchant nor the abstractions of a theorist. His growing reputation was recognized again by Lord Lansdowne, who invited him to head the Commission which was to frame a new commercial treaty with China. By August of 1901 the disasters and muddles which followed the Boxer rising were beginning to show some semblance of tidiness. On August 24th Lord Lansdowne wrote to Sir James :

“ You have, I am sure, been following with interest the course of our negotiations in China. The Protocol will, I hope, be signed before we are many days older, but there still remains the important group of questions which will have to be dealt with when we commence negotiations as to our commercial relations.

“ We propose that these negotiations should take place at

### *Commercial Treaty with China*

Shanghai . . . I know of no one more likely to take charge of these successfully than you are. . . . We should of course give you the assistance of specialists. . . . Lord George Hamilton leads me to hope that you will not decline this offer."

Sir James accepted the appointment, after conferring with officials at the Foreign Office. In the correspondence which followed, two interesting sidelights are thrown upon his conception of the new responsibility. The question of payment had been mentioned, and, in his letter to Lord Lansdowne, Sir James wrote :

"I accepted in the belief that the appointment would be honorary, and as nothing that I could get in the shape of money, of any reasonable amount, would compensate me for going to China at this time of day, I would greatly prefer that you will allow me to reap my reward in the satisfaction I shall have in carrying through the business successfully and proving myself worthy of the confidence which you have so kindly placed in me."

The second sidelight shows us the Napoleon who did not wish to share his command. At the end of August the question of the designation of Sir James's assistants was still undecided, and he wrote to the Foreign Office :

"Would it not be better to designate my assistants *Expert Advisers* instead of *Assistant Commissioners*?"

The secretaries chosen to sail with him from England were Mr. (now Sir) William Clark and Mr. Somers Cocks. Sir James was vested with Full Powers under the Great

### *James Mackay as Diplomat*

Seal to sign the Treaty, which empowering document he treasured, along with the Flag of the Commission, when the China venture was ended.

The appointment of Sir James was not wholly approved in Whitehall. Some of the Foreign Office officials, trained in the tradition of Palmerston and Salisbury, were surprised and shocked that a business man should be chosen over the heads of men who were tried in the arts of diplomacy. The relationships between the older tried business man and the two secretaries trained in the Foreign Office and the Board of Trade were therefore experimental and interesting. The first criticism of their new chief which the young diplomats made was stirred by their fear of the sea. Neither of them was a good sailor and, according to a letter which one of them wrote to a relative in England, they derived a "certain grim amusement from the spectacle of two such frail vessels travelling round the world at the heels of a burly Scot like Sir James." They made this complaint as the ship neared Aden, adding that Sir James was "most indecently robust." They thought him "not very conversational," but he obviously meant "to be kind." "A great thing in a chief," one of them wrote.

They travelled to China by way of Colombo and Singapore, and, in November, they arrived in what one of the secretaries described as the "do-nothing-if-you-can-possibly-help-it country." The six months of negotiations for which the Commission was prepared extended into twelve, and after a year of argument and delay, the final treaty was not worth the paper upon which it was written, because the other powers would not agree to the

### *Arrival in China*

addition of a surtax of  $7\frac{1}{2}$  per cent to the 5 per cent customs tariff—the compensation offered to the Chinese for the abolition of *likin*. Although the force of the treaty was thus nullified, the framing of the clauses added lustre to Sir James Mackay's reputation as a negotiator.

Since the treaty failed in its chief objects, one is tempted to cull whatever humour there is in the story of this strange year in Sir James's life, when he embarked upon his first experiment as a plenipotentiary. There were many Gilbertian situations and conclusions in the sober attempt to induce the Chinese to accept the discipline and ethics of Western law and commerce.

To a man of Sir James's punctilious habits the initial delays in Shanghai must have been exasperating. There had been hints of the lethargy of the Chinese when he arrived in Canton, where he had been obliged to call upon the local revenue officials. They had been charming and kind, but there had been no suggestion of business. After being greeted by cannon in the courtyard of the chief officials, Sir James was asked to drink champagne and then tea, at nine o'clock in the morning. Then he went to the Governor, through a double file of guards and with the "unmentionable din of trumpets and blank cartridges." His dawns were heralded by cannon and by crackers, to ward off the evil spirits ; his nights were spent at Chinese dinners at which innumerable courses were served. To a man who was neither superstitious nor a gourmet this programme was waste of time. Sir James's halting suggestions that the commercial relations between Britain and China should be talked of, when the dinners were over,



*Fall Studio, New York*

LORD INCHAPIE IN 1902



### *Shêng-Ta-jen*

were gracefully waved aside. When he arrived in Shanghai, Sir James began his work by calling upon thirteen consuls. When this duty was performed he hoped to begin upon the treaty. The leader of the Chinese commissioners, Shêng-Ta-jen, regretted that he was too ill to see him. Shêng was a shrewd man of business and he had made a position for himself among the Chinese merchants by his great wealth and ability. He had learned many things, among them the power of inactivity in dealing with the energetic Briton. "He is supposed to be ill," wrote one of Sir James's secretaries, "but his reputation for mendacity is such that nobody was quite certain whether he was ill or not."

Sir James Mackay could not suffer inactivity. While Shêng remained at home he went up the Yangtse and interviewed the viceroys and officials. They all greeted him with champagne and tea, or long dinners, but they smiled evasively when he brought the purpose of his visit into the conversation. In the meantime he prepared reports upon aspects of trade with China and finance and sent them across the world to Lord Lansdowne. He conceived plans for saving China financially and he sounded notes of alarm over the growing power of the French. They were annexing all the railways and even the Chinese workmen on the lines spoke their language. Lord Lansdowne acknowledged the long reports, but it seems that they were lost in the labyrinthine archives of the Foreign Office. Coldly phrased memoranda were pinned to them and the clerks of Whitehall filed them away and forgot them.

While Shêng languished in his house in the Bubbling

Well Road, surrounded by his four hundred relatives, and apparently with neither clock nor calendar to remind him of the passing hours, Sir James prepared his case with the competence and speed of an astute company director. The diligence and conscientiousness were wasted. Shêng took his own time and two weeks passed before he even received Sir James in his house.

Shêng represented the opinion of China. The Chinese, bred on the nineteenth-century resentment against foreign power and influence and still smarting from the Boxer Rebellion and the fanaticism which went with it, knew that force was in the hands of the offended foreign powers. Their only way, therefore, was along the intricate ways of diplomacy. Delay was one of their most irritating and effective weapons against the eagerness of the European. Shêng knew this and he used it to his advantage.

There were many important clauses in the treaty, designed to settle the question of trading on the inland waterways and the stabilizing of the currency. But the keystone was to be the abolition of *likin*, the pernicious system by which inland customs barriers were set up throughout China, without limit, to collect additional taxes. These subsidiary customs stations were the greatest of all menaces to the growth and safety of British trade with China. *The Times* correspondent, Mr. J. O. P. Bland, who was afterwards of great help to Sir James Mackay because of his knowledge of China and the Chinese, had reported that ten such stations for the collection of *likin* existed in the eighty miles between Shanghai and Su-chau. In a leading article, regretting the ravages upon commerce

### *A Letter to Lord Lansdowne*

caused by *likin*, *The Times* said : “ The dues, extortions and the delays at these barriers simply choke the trade of a country whose salvation can only lie in the development of her foreign trade. . . . If it is once really abolished in a shape which will baffle attempts to revive it under other names, we may trust with some confidence for an expansion of trade within the Empire which will speedily place China in a relatively easy financial position.”

When he was in India, Sir James had spent his energies in diverting the tea trade away from China. He had even prophesied that some day India would monopolize the export of tea at China’s expense. Now he was engaged upon the opposite task, for it was hoped that the abolition of *likin* would make it possible for China to revive her tea trade again. Also, it was hoped that she would regain the silk trade which she had lost to Japan. While Shêng was recovering from his fever, Sir James gathered his evidence together. He was helped by the assistant commissioners, Mr. (afterwards Sir Charles) Dudgeon, chairman of the China Association, and by Mr. Henry Cockburn, Chinese Secretary at the Peking Legation. Shêng at last received Sir James. The calm old Chinese made a pleasant impression on the busy Scotsman. “ I found him very agreeable,” Sir James wrote to Lord Lansdowne. “ . . . If his word counts for anything, I think I won’t have much difficulty in arranging matters with him. . . . I had a long talk with him on the subject of *likin* and he says he is very anxious to see it abolished in every shape and form, both on imports and exports.”

Sir James was elated by Shêng’s encouragement. He

confessed to him that he had already framed the clause dealing with *likin* and that it was ready to be placed before him. This degree of efficiency was too much for Shêng. He withdrew again into his house in the Bubbling Well Road and regretted that he could not proceed with the negotiations for a few days, as he was suffering from a boil on his behind. Sir James's secretary wrote in a private letter to England : "Nothing more has been heard of Shêng : Sir James is getting very restive and depressed about it, as he naturally wants to get the thing over as soon as possible, and the negotiations haven't begun yet."

Shêng appeared again on January 11th. "We have seen the great Shêng," the secretary wrote. "Unquestionably he is altogether in a different class from any Chinese officials we have had to do with yet—very quick and intelligent, but also, I am afraid, uncommonly obstinate." Shêng talked with Sir James for a day or two and then he retired to celebrate the Chinese new year. Ten days passed before he appeared again. For a day or two they met and talked, but on February 17th. Shêng sighed and withdrew once more. This time Shêng's secretary came to Sir James and reported, with regret, that "the relict offspring of his deceased wife 2 was ill," and that Shêng was therefore obliged to stay at home. On the 21st. Sir James was told that Shêng had caught scarlet fever. They had met the day before, so Sir James looked up "Scarlet fever" in *Encyclopædia Britannica* and found, to his alarm, that the period of infection was eight weeks. During February, Lady Mackay and her daughter had arrived in Shanghai from London. Sir James hurried them off, with his secretaries,

### *The First Progress*

to be vaccinated, and Lady Mackay made camphor-bags for them all, with ribbons, to tie about their necks. The scarlet-fever scare passed. Two days afterwards Shêng's secretary came again. His master, he said, was suffering from diphtheria and he would be dead within a week. This, he added, would be a solution of *all* their problems. On March 3rd. there was a new report. Shêng was suffering from cancer, but, added the secretary, he would be up and well in a fortnight.

There was, of course, a tangle of trickery behind Shêng's series of illnesses, and also a basis of excuse. Like Sir James Mackay, Shêng was not of the Mandarin class, nor was he a professional diplomat. Behind him were the aristocratic viceroys at Nanking and Hankow, certain to be viciously unsympathetic. Also, still more terrible, was the power in Peking, where the supreme authority of the Empire rested with the Dowager Empress, a despotic and dangerous old lady. It is probable that Shêng had not received his instructions from Peking and, according to the best Chinese traditions, he saved his face by shamming illness. While Sir James Mackay was writing his feverish letters to Lord Lansdowne, Shêng was, no doubt, entangled in a similar correspondence with Peking. In the end Sir James's persistence showed Shêng that there must be an end to delay. Perhaps it was that he at last received his instructions from Peking for he came to the conference-table in the end and there followed many busy and profitable days. The clauses governing uniform currency throughout China, definition of liability of Chinese shareholders in British joint-stock companies, protection of

### *Likin*

British trade-marks in China, revision of mining regulations and reform of the judicial system were framed and agreed upon after long and patient negotiations, but the clause calling for the abolition of *likin* was born with much pain and alarm.

In the original instructions given to him by Lord Lansdowne, Sir James Mackay was impressed with the great importance of abolishing *likin*. The plan was to compensate the Chinese for this loss of revenue by authorizing import taxes. Sir James framed the clause and sent it to Lord Lansdowne. It had been previously agreed in London that "the views of merchants interested in the China trade would be ascertained before treaty revision negotiations were concluded."<sup>1</sup> The Manchester Chamber of Commerce made a formal protest against Sir James's clause, and they were followed by other Chambers of Commerce and representative merchants. Lord Lansdowne wrote a dismal letter, telling Sir James that he was forced to modify his instruction. "I had myself always understood that the trade was clamouring for the complete abolition of *likin*," he wrote, "and it is surprising to listen to some of the arguments which are now put forward by the same individuals, many of whom now talk as if *likin* were a most innocuous institution." The protests of the merchants forced Lord Lansdowne into a change of face. He wrote to Sir James: "It certainly seems to me as if there would be immense practical difficulty in sweeping away the whole machinery of internal taxation and on getting rid of the

<sup>1</sup> *The Times*, December 26th., 1902.

## *Up the Yangtse*

host of people who make their livelihood out of that system by a stroke of the pen."

Sir James received a further rebuff from the China Association in Shanghai. The *Times* correspondent, Mr. Bland, sympathized with Sir James in his dilemma. Commenting on the change of instructions from the Foreign Office a few weeks afterwards, he wrote : "No man serving his country had ever a harder or a lonelier furrow to plough, a fact to be borne in mind when we come to consider the final results of his work, be they what they may." Sir James was calm when he met Shêng and his assistant commissioners, but he revealed his distress to his secretaries. One of them wrote : "Sir James is pacing in and out of his room and ours in a hopelessly restive condition." The Shanghai newspapers accused him of trying to drive China into civil war by urging the abolition of *likin*. Lord Lansdowne sent a consoling note : "I continue to follow your proceedings with the greatest sympathy and approval, but you have got an appalling task. . . ."

Shêng still bowed graciously and assured Sir James that all would be well. The viceroys, who shared authority with Shêng, were also averse to the clause, so Shêng and Sir James went together up the Yangtse, in a little ship, to cajole them. Lady Mackay made the journey with her husband, and her notes give a picture of the discomforts in which Sir James had to live and work :

"I cannot say that any of us enjoyed our river trip. My maid had to cross the saloon on her way to my cabin and one night as she came to help me to undress she told me she had seen six rats. Another night she informed us she had seen Shêng

### *A Restive Plenipotentiary*

sitting in the saloon having his feet washed and the barber shaving him . . . not very pleasant in the room where we had our meals ! At Hankow, the weather was intensely hot, very humid and the place was smelly. The doorkeeper under our verandah died of cholera one night while on duty. There were nests of bats in the verandah roof and they squealed all night. The young ones were even clinging to the walls of our bedroom."

While at Hankow both Lady Mackay and her daughter<sup>1</sup> caught typhoid fever and one of Sir James's secretaries fell ill and was taken to hospital. Sir James worked on, grimly and patiently. Now and again he made a protest which showed that human misgivings stirred beneath his outer calm. When one of his secretaries complained because his cabin was too hot and unpleasant, Sir James suggested, in a cold voice, that it might be used for storing the official boxes. When the wretched man came a second time and confessed that he was exhausted from the ravages of dysentery, Sir James merely told him to return to his work and to prepare a new edition of the Inland Navigation rules. "He is not usually inconsiderate," pleaded the ill man, in a letter to his relatives in England.

Out of this history of misadventure Sir James evolved his treaty. The clauses were framed and the last conference was held. The discussions had provided picturesque scenes for those who could view the treaty with detachment. Through the long sittings Shêng talked to Sir James in

<sup>1</sup> Now Lady Margaret Shaw, wife of the present Chairman of the P. & O. Company.

silken Chinese, translated by an interpreter from Shanghai. Sir James talked with the slight Scottish accent which made every word he said musical as well as important. Shêng had thought in centuries while Sir James's heart had beat out the valuable seconds of a life in which not one moment could be wasted. The phrase which Sir James's secretaries still recall, repeated twenty times to Shêng in a querulous voice, was : "But you *agreed* to this yesterday and you *disagree* with it to-day." He went on with his task, although his secretaries noted that he was "curiously excitable for so stolid a person." Shêng and the viceroys still held back from signature, even when Sir James had framed the clause which apparently suited Lord Lansdowne, the British merchants and the Shanghai newspapers. At last Sir James tried an old ruse of the diplomatist. Perhaps he remembered the example of Disraeli, who ordered a train to be in readiness for him in Berlin, when the Russians hung fire in signing the treaty of 1878 ! The ruse alarmed them and Disraeli was able to telegraph to the Queen : "Russia surrenders. . ." Sir James tried the same trick. He ordered his luggage to be packed and placed in the hall of the house in which he was staying. Shêng and the viceroy wilted, and the document was signed so hurriedly that there was no time to bring ink to the table. There was only the thick Chinese ink into which Shêng dipped his brush.

On September 8th *The Times* announced that :

"Sir James Mackay has had the satisfaction of bringing the negotiations for the conclusion of a commercial treaty with

### *The Treaty Signed*

China to a successful end. . . . Sir James is to be congratulated on the completion of what Lord Lansdowne has truly described as a 'task of enormous difficulty.' . . . It is no small feat to have convinced several highly-placed Mandarins that a view of taxation so novel to them is correct. . . . Broadly speaking, the main result of the treaty is the complete abolition of *likin* on all goods, native and foreign, throughout the whole empire, and the substitution of the duties named in the treaty."

Sir James wrote one more letter to Lord Lansdowne before he sailed from China :

" Now that the negotiations have been brought to a satisfactory conclusion I look back upon them with a considerable amount of pleasure and they have afforded me a very valuable and instructive experience. It is a great relief to me to think that I have succeeded in discharging to your satisfaction the trust which you have reposed in me and that I have not at any rate altogether failed."

A bundle of important letters met Sir James on his way home through America. Lord George Hamilton wrote from the India Office : " Let me most heartily congratulate you upon the successful termination of your most difficult task. . . . This is the first treaty of its kind which has not been negotiated with shotted guns behind the British negotiations."

Sir Arthur Godley wrote : " I must offer you my most sincere congratulations on the success of your mission. You have done a really great work and I am sure that its accomplishment is largely owing to your knowledge, skill,

### *The Board of the Suez Canal*

patience and experience. . . . There has been a chorus of praise here in the newspapers and I hear that the Foreign Office are delighted, as well they may be. . . . If you will give us notice of your arrival, we will lay down red cloth in the passages and have the band to play 'See the conquering hero comes.' "

When Sir James and Lady Mackay arrived in London the first man to shake their hands on the railway station was Lord Lansdowne, full of pride and congratulations.

1904-1932

In 1904 Sir James was elected to the Board of the Suez Canal Company. He continued this association for almost thirty years, and towards the end of his long service he became the doyen and veteran of the British members of the Board. The position he made for himself was surprising when one considers the handicaps with which he went into this new field. Sir James spoke little or no French. Long years of speaking Hindustani, in India, had allowed his boyhood smattering of French to fade. When he went to Paris to attend the Board meetings he wisely spoke and wrote in the language he commanded rather than flounder in unfamiliar waters. In spite of the barrier of language, he imposed his personality on the meetings of the Directors in Paris, and he often entertained the Frenchmen and their wives at big dinner-parties. In 1922 he was elected vice-president of the Board and president of the London Committee, in place of Sir Thomas Sutherland. The Frenchmen found him a

### *A Frank Letter*

surprising colleague at first. His directness, his naïve sense of humour, which made him cling to schoolboy jokes, sometimes caused them to raise their eyebrows. But they liked him and they trusted him. How far they were justified in this trust is shown in a letter which he wrote to an official in the Foreign Office in September, 1922. There had been a proposal, apparently within the Foreign Office, that the Suez Canal Company should be asked to increase the number of British directors on the Board, in view of the fact that the British Government held seven-sixteenths of the share capital. Lord Inchcape reported to the Foreign Office :

“ In my humble judgment this would be a mistake. The British holding is exactly what it was forty years ago when we bought the Khedive’s shares. We had no representation on the Board then and as no individual shareholder can have more than ten votes we were at the mercy of the French shareholders. So it is to-day. . . . Some thirty years ago Sir Thomas Sutherland arranged the Pact of London which gave Great Britain ten members of the Board out of thirty-two. The arrangement has worked admirably. Although we are in a great minority on the Board, there has never been a single instance in my experience of the last fifteen years as a Director where the views of the British representatives have been over-ruled. Everything of any importance is invariably referred to the London Committee. . . . The Canal Company is splendidly managed. The staff is well organized, there are few complaints from shipowners. Any complaint is thoroughly enquired into and always courteously dealt with. . . . I think it would be a fatal blunder to attempt at the present time to increase the British representatives on the Board. . . .”

### *Sir James's Little Jokes*

There is one more note among Sir James Mackay's papers to show with what confidence he worked among his French colleagues. In 1909 there was a disastrous collision between a British India vessel and one of the fleet of the Messageries Maritimes, *La Seine*, in the Straits of Malacca. Many French sailors were lost, and among the treasures which went down was a pearl valued at hundreds of thousands of pounds. The Court of Inquiry in Singapore exonerated the British India ship, but the Messageries Maritimes was not content with the verdict and they began proceedings against Sir James's company. There was an awkward complication. The managing director of the Messageries Maritimes was also a member of the Suez Canal Board, and he met Sir James, in Paris, while the legal proceedings were afoot. Sir James found himself walking into the board-room beside his distressed and silent colleague. He patted the Frenchman on the shoulder and said : "Whatever the result of this unfortunate lawsuit between our companies nothing will break the friendship I feel for you." He could make such gestures with astonishing success, because they were sincere. Within a few days, the claims of the Messageries Maritimes were withdrawn and the suit was abandoned.

In both Paris and in the Canal Company's Residency at Ismailia, Lord Inchcape became a personality as well as a power. Amusing little stories were always springing up about his name. His jokes were as popular as his judgment. He disliked flying and never went in an aircraft in all his life, but he was once called upon to use the air service when he was in a predicament in Paris. His servant had forgotten

### *Sir James's Trousers*

to pack his dress trousers, so an aeroplane was used to bring them across the Channel in time for him to attend a reception. They arrived and Lord Inchcape was able to appear. A courtly director of the company addressed him with the polite inquiry : " And do tell me, Lord Inchcape, have you crossed from England by aeroplane ? "

" Part of me did," answered Lord Inchcape.

The Frenchman was too polite to question further until he had told the strange story to a colleague. " He says that only part of him crossed by air. What does he mean : " They both met Lord Inchcape a few minutes afterwards and asked him. " Would it be an intrusion if we were to ask you what you meant when you said that only a part of you came by air ? Which part ? "

" My trousers," he answered.

## CHAPTER TEN

*President of the British Chamber of Shipping—Government committees and increasing power in shipping—The reorganization of the consular service—Friendship with Sir Arthur Godley—Lord Morley and the offer of the Viceroyalty to Sir James Mackay—Elevation to the peerage.*

1893-1903

SIR JAMES MACKAY'S RESPONSIBILITIES IN SHIPPING AND commerce were not lessened by his experiment as a plenipotentiary and his experience as chairman of Government committees. The affairs of other companies and firms trading in the East came into the control of Messrs. MacKinnon Mackenzie, and by the end of the century theirs was one of the most powerful and prosperous concerns operating in India. Sir James Mackay was identified with this progress and he shared in the growing fortune. But it was his inbred interest in the mercantile marine which stimulated his work in the office, and he slowly made a position for himself, new and singular, as an intermediary between the shipping powers and the Government. He had often been called upon to interpret one to the other, and on his return from China his work as liaison officer was recognized, for he was elected President of the British Chamber of Shipping. His sense of justice and his breadth of vision as leader of the shipping interests cannot be overemphasized. Few important committees affecting shipping

### *Sir James's Talents*

were formed without him. In 1906 he was appointed to the committee which inquired into the desirability of a national indemnity for ships and cargoes in time of war. This ominous hint of the events which were waiting ahead, in the year 1914, was important, because, when war was declared, the scheme of war risk insurance which was adopted was based on the conclusions of the committee.

The reasons for success are not the same in all business men. The magnate described by Dean Inge in *Vale* as the "typically ambitious man" is not always true to type. One successful banker has said that Sir James Mackay's success came through his ability to "get into the hearts of men." A greater power than this is suggested in the documents and letters which he left behind him. One sees him as the conductor of an orchestra, allowing none of the hundreds of his subordinates to slip out of his scheme of harmony. When they did they were chastised and led back again. There was one merit which increased his power. He was ambitious now, but he was not over-vain. Inner satisfaction over his achievements was enough for him, and he did not mind other people striking heroic attitudes to play the solos which he had composed. Sometimes his methods strained the affections of the forty or fifty partners who worked in the firms and companies in which he was interested, but he seldom lost their confidence. He wrote to them every week. His capacity for writing these long, personal letters, often in his perfect holograph, tied the company of partners to him. Growth never caused his touch to become less personal.

### *Sir Thomas Sutherland*

He was not a great letter-writer, in that he was neither a lord of language nor a wit. His humour was that of a schoolboy, sometimes enlivened by mischievous jokes. His thought was simple and direct and never complicated by irrelevant theories. His letters were, therefore, no more than spontaneous and sincere, and he had the rare talent of being able to write as he talked, without wasting a word. His speeches were equally simple and although they had little literary merit, they were always impressive because they were free from pretensions.

Sir James Mackay did not create great firms and enterprises in the same way as the Levers, the Nobels, and the Monds. Perhaps he was guided by the old advice that houses are built by fools for wise men to live in. In the two greatest strides of his business career Sir James was chosen by older men to inherit the firms and companies they had already created. Sir William Mackinnon elected him to his powerful position in the firm of Mackinnon Mackenzie and Company, and, ten years before he died, Sir Thomas Sutherland decided that Sir James should be his successor at the head of the P. & O. Company. The relationship between Sir Thomas and his successor was revealed when Lord Inchcape spoke of him at the Annual Meeting in 1916. Lord Inchcape said :

“ Before sitting down I must give you a message from Sir Thomas Sutherland. He sent me a letter after reading the remarks which I made to you a year ago in which he was good enough to say that he approved of all I had said, only I had made one grave omission, and that was that I had forgotten to

## *New Government Appointments*

mention that the cordial and friendly relations which had existed between him and myself for the last five and thirty years remained unbroken.

"I spent some days with Sir Thomas in Paris not long ago, when we were over at the Suez Canal meeting. Free from the cares of the P. & O. Company his demeanour when not occupied with the serious business of the Suez Canal was more like that of a boy of eighteen than that which you would expect from a man who had passed the fourscore. Mine, I need scarcely say, with my responsibilities, was infinitely more sedate."

Lord Inchcape drew great enterprises together, but, with the exception of the P. & O. Bank, he did not create them. The positions of the British India Company and Messrs. Mackinnon Mackenzie might be commented upon at this point, for Sir James's return from India coincided with a change in the control of the head office. Sir William Mackinnon had created a number of the trades and services of the firm between 1856 and 1893. In this year he died, and while the office of Chairman of the British India Company was filled by Mr. Duncan Mackinnon, Sir James already exercised a large measure of control over the company's affairs on the Board in London.

1902-1910

The success of the China Treaty as a document had now proved Sir James Mackay's worth as a diplomat to Lord Lansdowne and to the India Office. They did not allow him to fall back and vegetate in the groove of business. On May 5th Sir Arthur Godley wrote to him from the

### *Currency*

India Office, inviting him to be one of a committee to "advise and report" on the question : "Shall Cooper's Hill be maintained for the supply of P.W.D. officers or not ?" The school had been founded by the East India Company in 1871 for the training of officials, and on the recommendation of the committee, it was closed. There was to be no respite. Eight days afterwards Sir Arthur appealed again. A number of American delegates were coming to London to talk about currency. Sir Arthur wrote :

"I told Lord George that we must appoint a delegate, but I did not suggest the name which first suggested itself, viz., yours, on the principle of not making too great demands on the willing horse. I nevertheless received in reply the note which I enclose."

With Sir Arthur's letter there came a brief memorandum, in the careful, strange handwriting of the Secretary of State :

"We must join in the Conference. Would Mackay serve ? He would be a first rate representative and he has knowledge behind him."

Lord Lansdowne was also quick to exploit his pupil who had so soon become a gifted and willing recruit for Government committees. In December of 1902 he wrote to Sir James :

"An inter-Departmental Committee consisting of Sir W. Walrond, Lord Cranborne and Mr. Bonar Law has been

### The Consular Service

formed for the purpose of examining into the conditions of the Consular Service with a view to its improvement and to bringing its members more in touch with the commercial community. I should be greatly obliged if you would consent to take part in the deliberations of the committee. The addition of your name would afford much satisfaction to the commercial world, and your experience would be of the highest value to your colleagues."

Up to this time the status of the consular service had been uncertain. Indeed, it had enjoyed little status at all. Fifty per cent of the consuls were foreigners, out of touch with English life, and few business men ever bothered to take advantage of the consular organization in foreign cities. The standing of these unfortunate consuls is indicated in the remark of a celebrated Victorian, who might have been of Lord Chesterfield's blood. He was once asked, after he had been to Spain for a holiday : "Did you meet the consul in —— ?"

"I do not meet consuls," he answered, "but it gave me great pleasure to lunch with our ambassador."

The enlightened twentieth century was not going to tolerate these survivals of the old kind of snobbery, and by 1902 the time had come for important changes in the service.

In the chapters which he has contributed to *The Foreign Office*, Sir John Tilley has mentioned the important committee of which Sir James was a member. He has described the work of the conferences as "the *creation* of the consular service." "I must so describe the event in 1903," he adds, with a special reference to the presence of Mr. Bonar

### *Increasing Confidence*

Law<sup>1</sup> and Sir James Mackay. In a later memorandum Sir John Tilley has written : "Sir James proved himself to be a business-like examiner of witnesses and an equally business-like draftsman." Lord Lansdowne's promise that the addition of Sir James's name would "afford much satisfaction to the commercial world" was fulfilled. Sir William Holland, who was one of the witnesses representing the commercial interests, told the members of the committee that he left those interests in the hands of Sir James Mackay "with the greatest confidence." Although the chief suggestions for the report came from the Foreign Office, the drafting of the clauses was left to Sir James, and he was also allowed to insert certain recommendations in regard to the commercial duties of consuls. The final report which he submitted filled only four and a half printed pages. Brevity was one of his virtues, and, writes Sir John Tilley, who acted as secretary to the committee, "the recommendations were accepted practically as a whole."

Many more committees followed. In 1903 and 1904 Sir James served on Lord Jersey's committee which elucidated affairs connected with the Board of Trade, and in 1906 he was a member of the committee of the Board of Agriculture which inquired whether preference was given by English railways to foreign produce conveyed

<sup>1</sup> Mr. Bonar Law was also a recruit to Government committees, and this was his first appointment. The acquaintance begun between the two young committee-men strengthened into friendship, and Lord Inchcape served Mr. Bonar Law many times when he was Prime Minister.

### *Friendships*

over English lines. During 1905, 1906 and 1907 he was a member of the committee appointed by the Treasury to consider the conduct of Government workshops, and in 1912 and 1913 he was appointed chairman of the Secretary of State for India's committee, to travel to India and report on the railways. This latter work, which led to many changes in railway management, was of the greatest importance, and when he returned to England it was not long before Sir James was made a Knight Commander of the Indian Empire, the honour of which he had barely dared to dream when he was a merchant in Calcutta.

1903-1911

One pleasant tribute to Sir James Mackay's character lies in the record of his friendships. He usually approached human relationships guided by the advice with which Laertes went into the world. He lent his ear to every man, but seldom his tongue. (His silence and his habit of looking down his nose during an interview were often embarrassing to any shy man who had come to place a scheme before him.) Sir James sifted the qualities of a man with little lenience or charity before he allowed the confidences of friendship to flow. The company of his friends seldom changed and it was rarely extended. As he marched, his old friends marched with him. His early associates in India were not forgotten in later years when he arranged shooting-parties on the place which he bought in Scotland. When he became rich and famous, he moved in the world of great names. Here he made a few new friends.

### *Lord Kilbracken*

Among the men for whom he had the greatest admiration were Lord Reading, Lord Churchill, Lord Rawlinson, Lord Kilbracken, Lord Birkenhead, Lord Morley, Sir Harcourt Butler, Sir James Mills, Sir John Simon and Sir Robert Horne. The photographs on the table of his study were of the first three of these men. The friend to whom he lent his tongue as willingly as his ear was Sir Arthur Godley, afterwards Lord Kilbracken. He had met Sir Arthur on the staff of the India Office when he first joined the Council. Sir Arthur had enjoyed an exciting life as a boy and he shared Sir James's love of the sea. Although he had been born of a conventional English family, he had enjoyed wild adventures in New Zealand. In his *Recollections* he tells of Canterbury in the 'forties, of his Maori friend who used to sit in a rude shelter and attract the birds to a perch overhead by imitating their notes and then knocking them down with a stick. He had stayed with an emancipated cannibal and he had been around the world under sail. His boyhood adventures had enticed him away from the conventional channels of English thought and habits. Tennyson and Thackeray were his father's friends, and when he returned to England from the antipodes, he was accustomed to their visits and their talk.

He was a man after Sir James's own heart. Their common ground was their interest in India. The correspondence which grew up between them was increasingly gracious and friendly, and it soon left the defined fields of diplomacy and shipping. When Lord Kilbracken died, a small bundle of Sir James's letters was found among his papers. They trace the friendship of the two men from early in the

### *Lord Morley*

century until 1930. Through Sir Arthur's encouragement, which began with the letter of congratulation which he wrote after Sir James had completed the China Treaty, more important work had come to him as a member of the India Council and as chairman of committees. Sir James Mackay was able to return the compliment in 1909, by offering Sir Arthur a seat on the Board of the British India Company. "I hope you will accept," he wrote. "I should feel it a great relief if I had you with me. . . . I have often longed to have your right hand in business." From this time their letters became more and more intimate, and it was to Lord Kilbracken that Sir James let off steam over his likes and dislikes. This outlet for candour was healthy for a man of Sir James's restraint. Few weeks passed without an exchange of letters between the two friends. Sometimes Sir James reproached himself for his own frankness. "I am boring you with my own inwardness," he wrote in December of 1917. "You have been my father confessor for many a day and a tremendous help to me in life. . . ."

Another friend in the India Office was Lord Morley, who was Secretary of State from the time of the Liberal victory in 1906, until 1910. Many of Lord Morley's letters show how often he called upon Sir James for advice. When he was asked to speak in the House in December of 1908 Sir James supplied him with what Lord Morley described as the "very thing" he needed to "fill in an important part of the picture." Lord Morley thanked him and wrote: "If within the next few days a single sentence or figure about Indian credit flashes across your mind,

### *The India Office*

please let me have it. . . . I feel that the *Old India* that you knew so well has gone and cannot be brought back. What we have to do is slowly and tentatively to guide people along to a New India." Again, in 1910, Lord Morley turned to Sir James :

"They are sending me down, I fear, to speak in my native Lancashire on December 1.

"I should rather like to say a word or two on the enclosed passages from a speech of Bonar Law's at Manchester last Friday. Could you find time and patience to send me a short, pointed, incisive note in reply to him. It would be very kind of you. . . ."

In the India Office also Sir James made himself invaluable, especially in the problems arising from the country's finances. In the same year, when his term on the Council was about to expire, Lord Morley appealed to Sir James to stay on for a further term. ". . . It will be a great disappointment to me and it will be a great disadvantage to this office if you do not consent," he wrote.

Sir James answered :

"Much as I had looked forward to the reprieve which would in ordinary course have come to me in Spring, your kind note sorely tempts me to continue at the India Office for a few years longer because I find it a great pleasure and I regard it as a great honour to be associated with you. Perhaps you will give me a little time to think over the matter but I shall let you know without much delay."

Sir James usually decided his affairs in a minute and he seldom waited twenty-four hours to answer a letter.

### *Sir James as Viceroy ?*

This time he allowed some days to pass before he wrote to Lord Morley again. Lord Morley became anxious, and he wrote a further letter of appeal :

" I don't like to be importunate, or to press you beyond what is fair.

" It will, however, be rather a bad blow to me if you don't stay on at least for two or three years. I feel now at last as if I knew something of the ground, and as if I might try to do one or two things of a safe kind. Without your sound judgment, I shall be at a great disadvantage. So make up your mind, and make it up right. . . . "

When Sir James agreed to serve on the Council for a further term of five years Lord Morley was delighted. Sir Arthur Godley, who was still on the staff of the India Office, also sent a letter of gratitude :

" . . . I must tell you how delighted I was at your consenting to accept a ' second term ' when your five years came to an end. It was a real relief to me.

" I now rejoice to think that you will, bar accidents, see me out. The idea of going on here after your retirement was, I can assure you, most unpalatable to me."

In spite of this happy relationship and appreciation between Secretary of State and councillor, it was because of a blunder on the part of Lord Morley that Sir James Mackay suffered what was perhaps the fiercest disappointment of his career. In September of 1909, Lord Morley asked Sir James Mackay if he would accept the Viceroyalty of India in succession to Lord Minto.

### *Lord Morley's Proposal*

Eight years before, on one of the few occasions when he went abroad without Lady Mackay, Sir James had written to her from India : "Here I am just back from the theatre where I went with the Curzons—to the Royal box, sitting beside Lady C. & the Viceroy coming over between the acts and talking to me very nicely on all subjects of State. Our dinner was purely family, the staff only and myself. I took in Lady C. I lunched here to-day. A nice little party and sat next to the Viceroy and after lunch we had coffee and cigarettes in a verandah. She has been very civil and is really a charming woman ; gentle and natural and no airs.

"The theatre was full and it was funny seeing everyone there and being in the Viceroy's box, helping Lady C. on with her cloak etc., I daresay I was considerably envied. . . . I suppose you think I am rather an ass but I am not up-lifted by any means, nor was I as I drove off in one of the Govt. House carriages with an A.D.C. . . . behind the Viceroy."

Sir James may not have paused even to imagine himself as Viceroy. Nevertheless it was an honour which might have made any man dizzy with pride. With his usual spontaneity, Sir James said "Yes" to Lord Morley's proposal. There were many circumstances which might have disturbed him, in spite of the promised glamour of ruling India in the King's name. It was impossible for him to be Viceroy and continue to remain a partner in the shipping and merchant firms which were his livelihood and his chief interest. The temptation was too great : his career would have been crowned had he arrived in Bombay to be the King's voice and the British Government's will in India, whither he had

### *Lord Kilbracken's Encouragement*

gone as a mercantile assistant thirty-five years before. Lord Morley made the offer to Sir James during a week-end at Chesterford Park, a country place which Sir James had lately bought in Essex. When Lord Morley returned to London he wrote a letter confirming the offer. Sir James shared his secret with only one man outside his family, his "affectionate friend" Lord Kilbracken, who had retired from the India Office in the meantime. Lord Kilbracken wrote to him :

" . . . the idea of your succeeding Lord Minto is one that had occurred to me, but I never mentioned it to a soul so I fear I cannot claim credit for having explicitly suggested it, though I may fairly claim that much which I have said may have tended in that direction. Lord Morley has often spoken to me about the Viceroyalty of late, but the line that he took was generally that preference must be given 'to one of their own men,' and I had been turning my thoughts into that groove. It will give me most sincere pleasure and satisfaction, from the point of view of the public interests, if you are appointed : the only drawback that I can see is that, in that case, I almost wish myself back again at the I.O."

Sir James might have read a note of warning in his friend's letter. At the end he had written : "We must, however, remember that the appointment lies with the Prime Minister." If this sentence stirred up doubt, the doubt perhaps vanished with the following phrase : "I don't agree with you in thinking that you will never hear of it again : on the contrary, I feel pretty sure you will. . . ."

Many days passed before another letter came from the

### *Mr. Asquith's Objection*

Secretary of State. There was a side to Lord Morley's character and manner, viewed by Lord Minto, whom he exasperated, as "autocratic and exacting." He had overstepped the bounds of his powers in offering the Vice-royalty to Sir James, and, apparently, he had not kept his secret. A well-known Indian Army officer wrote to Sir James saying that he had heard of the probable appointment and offering himself as Military Secretary. When Lord Morley's letter at last arrived Sir James's dream was broken. The proposal had gone before the Cabinet and it had been turned down, largely because of Mr. Asquith's argument that it would be unwise to appoint a man with so many commercial interests in India. Whatever justice there may have been in Mr. Asquith's objection, there seems little doubt that Lord Morley made a grave mistake in making the offer to Sir James without first testing the feelings of the Prime Minister and the members of the Cabinet.

Lord Inchcape's daughter has described the final scene in which he planned his reply to Lord Morley's letter. "We were sitting in the library of No. 7 Seomore Place after dinner, just after father had learned that the Cabinet had turned down the suggestion of his appointment. . . . Father was naturally very disappointed and we all realized that Lord Morley had made a mistake in speaking of it to father before getting his Cabinet's approval. But father was very anxious that there should be no awkwardness or shadow in the future relations. He therefore wished to write Morley a letter ending the matter and yet showing that he bore no malice.

## *Disappointment*

"He sat down at his side of the double writing-table and made several attempts at a letter, each of which he read to us and mother turned down. At last he said, 'Well, Jean, you try. You are good at these letters.' And she did. She sat down opposite him and in a minute or two her pen was flowing over the paper. She read it out, half a sheet only, I think, and it was perfect.

"Father turned to me. 'Now, isn't she clever? I could not do it.'

"He copied it out without altering a word, as far as I remember, rang the bell and sent the letter out."

Sir James's amazement and resentment soon passed. He swallowed his disappointment and, with characteristic grimness, he tore up the letters which might recall the incident and did his best to forget it. He resumed his friendship with Lord Morley without bitterness or reproach. "Your kindness to me is boundless," Lord Morley wrote to him three years afterwards.

Sir James turned to his old friend for the consolation he needed. "My dear Godley, that dear old name," he wrote. Their friendship was strengthened by the incident. "There is no man for whom I have a greater regard than yourself," he wrote some time afterwards. "You have been my friend throughout, always helpful with sound advice." In June of 1911 Sir James Mackay was in Paris for a meeting of the Board of the Suez Canal Company. While he was there a letter came from the Prime Minister. Sir James's work as a member of the India Council had come to its end, after fifteen years, and Mr. Asquith offered him a

### *The Inchcape Rock*

peerage. The first letter he wrote was to his wife, and then he wrote to his friend :

"I came over here on Friday night for the Canal meeting and this morning have received a letter from Asquith saying I am to have a peerage on 22nd. You are the first I tell because it is through my association with you for the past eighteen years I have had the opportunity of earning this distinction. Of course I am very pleased to get it, more for the sake of my wife and family than for myself. I must candidly admit I think it is a reward much more than I deserve and of course I have Lord Morley to thank for suggesting it. I shall always have the satisfaction of feeling that I never asked for it and that I did not pay for it ! Morley told me in October that he was to recommend me but there is so much uncertainty in connection with all these things I did not feel sure of it till to-day, hence my not mentioning the matter to you.

"I am sure you will be glad to get my news. . . ."

Fifty years swung back and affairs of business were forgotten. The smells of the harbour walls of Arbroath came to Sir James's nostrils again : the smells of seaweed and herrings, and the sounds of the gulls wheeling over the mouth of the Brothock. When the College of Heralds wrote to know what name he wished to assume as a peer, he allowed his thoughts to travel out of the harbour, in a little cockleshell of a boat, towards the Inchcape Rock.

## CHAPTER ELEVEN

*The Great War—The amalgamation of the P. & O. and British India Companies—Lord Inchcape's service to the Ministry of Shipping—Impatience with Government control—The growing fleet of the P. & O. Company—The end of the war and post-war problems—The sale of ex-enemy shipping.*

1914-1918

HISTORIANS WHO HAVE WRITTEN OF THE GREAT WAR have naturally given most of their attention to the story of military strategy and the glamour of battle. We lack a comprehensive record of the experiences of the non-combatants, especially of the civilian merchants and financiers, whose horizon was so disastrously changed by the events which followed 1914. Lord Inchcape represented their point of view and in many crises he was their guide. He had none of the ways of a scholar and the history which directed him in making a decision was limited. It was never more than the accumulation of his own experience of life within the boundaries of the British Empire and India. He was not interested or aware of the old ambitions and enmities of Europe, which culminated in the war. To him it was an unnecessary disaster which interrupted the established progress of British life : it was an offence against proven institutions. Through all his career he had never been frustrated and he had grown used

## *The Great War*

to success. He was accustomed to the safe and rich Empire which he had helped to make.

He approached the maze of new problems and anxieties which came in August as he would have approached a desk laden with papers. He hated disorder and insecurity : they were menaces which were new to him and he set about removing them as soon as they appeared. He did not pause to theorize or to wail. He saw the campanile fall, and his orderly and busy brain urged him to try to rebuild immediately, before the dust of the old structure had settled. We have already gauged the speed with which he worked at this time. The schedule and rules governing war risk insurance which his committee had prepared some years before became law within forty-eight hours. Lord Inchcape was in Scotland when war was declared. He hurried south, under a deluge of demands for transport, and was immediately besieged by other shipowners, who soon chose him as their spokesman. It was *his* letter to the Admiralty which induced the Government to declare that they would "accept war risks" for vessels requisitioned for the service of the Government. It was through *his* negotiations with the authorities that the rates of freight for these ships was fixed. This latter achievement as intermediary between the shipowners and the Government was important, and the debt of the Government was acknowledged in the following letter from the Admiralty :

"The attention of the Board of the Admiralty has been drawn to the invaluable services which you have rendered to the Department in connection with the negotiations with ship-owners as to the rates of freight to be paid for requisitioned ships

### *Tribute from Admiralty*

during the period of the war. The satisfactory settlement which has been arrived at with the great majority of the owners concerned is considered to be very largely due to your personal influence with the shipping community, and to the sound judgment you have brought to bear on the circumstances of individual cases.

"The Board fully realize the great extent to which they are indebted to your patriotic action and I am desired to express to you their deep sense of the obligations they are under for all that you have done."

Lord Inchcape was now in the thick of affairs, but in many ways he was estranged from the emotions engendered by the war. His wife prepared a house in London as a hospital for officers and his daughters worked shoulder to shoulder with the other women of the country. He encouraged these services, because they were correctives against disorder and because they represented one more step towards the state of peace. But Lord Inchcape did not wish to understand the grim adventure of battle. He was sixty-two years old now and his ways of thought and his habits were settled. He was as resentful of the war as a boy whose carefully built sand castle has been wrecked by a sudden and monstrous wave. In the summer of 1914 Lord Inchcape's son was home from India, where he had already made a position for himself in one of his father's firms. When war was declared Kenneth Mackay did not wait for the commission which Lord Inchcape could have obtained for him. He forsook the shoot which his father had taken in Sutherland and hurried up to London to enlist. His commission came later, but he had already acted with

### *The Doyen of Shipowners*

a spontaneity which alarmed his father. Thirty years before, Lord Inchcape would have joined the forces with similar eagerness, but in 1914 he had conquered the impulsiveness of youth, and when his son came back after his first service in France, with the stink of battle in his nostrils, he talked a language which Lord Inchcape did not understand : the language of the young, who were living dangerously.

When the war was over Lord Inchcape was referred to in the report of the Maritime Service of the Reparation Commission as "the doyen of British shipowners." The title and compliment were won through years of astonishing service to the State. His optimism over the war and his capacity for dealing with great affairs is revealed in the story of the union between the P. & O. Company and the British India Company. Negotiations had been dreamed of many years before, and they were actually planned in May of 1914. Sir Thomas Sutherland was to retire, after being chairman of the P. & O. Company for thirty-four years. The time was now ripe for combining the shipping companies which traded, in friendly rivalry, with India, the Dominions and the East. Lord Inchcape did not allow the scheme to be interrupted by the war. While arranging the innumerable war charters, the transport of troops from India and the unending Government business which was delegated to him ; while directing the company's fleet, which was virtually engaged on active service, Lord Inchcape completed the negotiations which brought the combined fleets of 2,000,000 tons under his control. His power was now tremendous. He governed a "single

### *Great Shipping Combine*

traffic system" which touched "every considerable port of the British Empire," providing "three distinct, world-encircling main routes, embracing India, China, Australia, New Zealand, and the Americas, with access over most of the by-ways of travel and commerce throughout the globe."

"I have after much labour fixed it up with the P. & O.," he wrote to Lord Kilbracken. "I think the settlement is an uncommonly good one and perfectly fair to both companies."

When August came, with its terrible threats, Lord Inchcape might have paused to conserve his energies. How he managed to shoulder the new duties born of the amalgamation, the abnormal work created by the war and the increasing Government committees is something of a miracle. Neither the fact that he worked from dawn to late at night nor his robust health and quick mind give us a full explanation of his capacity. A list of the offices he filled would not be interesting now, but nobody who recalls the years of the war would deny that Lord Inchcape became not only the spokesman of the shipowners, but an oracle to every Government department which was concerned with transport and commerce. When Mr. Runciman asked him to join still another committee, in September of 1915, Lord Inchcape answered :

"What with Admiralty Arbitrations on rates for requisitioned ships, the Cornhill Committee to advise the Foreign Office regarding trading with the enemy, frozen meat from the Antipodes, intensive agriculture at home, and congestion at the ports, I find it pretty hard work to maintain the driving force in my business, which is now being worked 40 per cent for myself

### *Germans in Persian Gulf*

and 60 per cent for my senior partner, Mr. McKenna ! But I must accept your invitation. . . ."

In December of 1913, Lord Inchcape had gathered the reports of his Near East agents together, and had written of his alarm over the growing power of the Germans in the Persian Gulf. The Busrah-Baghdad railway was then being built and this prompted him to bring the question before the officials at the India Office. Sir Thomas Holderness asked him to supply the office with a report on the slow penetration of the Hamburg-Amerika Line into the Gulf trade. In his report Lord Inchcape wrote :

" Prior to 1907, the Shipping Trade in the Persian Gulf was practically in British hands, the sugar export trade to the Gulf was then almost entirely from Marseilles and was served by British Lines ; the advent of the Hamburg-Amerika brought the German sugar manufacturers into competition with the French refineries and the former are gradually monopolizing the trade. . . . I am glad to say that as far as the British India Trade is concerned in the Persian Gulf from Bombay, which is really the chief trade of the Gulf, everything is working very satisfactorily. . . . I am a little nervous about what may happen when the Baghdad railway is completed. We may find an attempt on the part of the Germans to oust British vessels from the trade from Busrah to India, but we have had this well in view and have been preparing for it . . . if the German Government are determined to force their way into the trade with India, by means of subsidies, it may go hard with the British Lines."

Early in December of the following year, when the war

### *Occupation of Busrah*

had been in progress for four months, Lord Inchcape read in the newspapers of the occupation of Busrah by the British. He had followed the fortunes of the Gulf, remembering the many ports which he had visited when he was an assistant in Bombay, and adding to his knowledge through the reports which were still sent to him by his agents. The occupation of Busrah delighted him and he cried for more. He wrote to Sir Edward Grey at the Foreign Office :

“ Busrah, as you know, is an important town, but it is dependent almost entirely for its commerce on the fact that it is the outlet and inlet for the trade of Mesopotamia and Baghdad.

“ I do not know what action H.M. Government propose taking in regard to the extension of their military operations beyond Busrah, but I venture to express the hope that these will not be limited to the immediate neighbourhood of Busrah and that they will be extended to Baghdad.

“ . . . Now is our chance to get hold of the Baghdad Busrah section of the Baghdad Railway, to permanently secure our position in the Persian Gulf, that highway to India, to rid the Gulf of the nominal Turkish suzerainty, and to make the Gulf what Lord Lansdowne said it ought to be, a British lake.

“ To my mind the time is ripe for a forward movement and if a British Protectorate could be declared over Mesopotamia from Baghdad to the sea, and if the Proclamation stated that no taxes of any description would be levied in the meantime, and hereafter they would be strictly limited to provide funds for the cost of administration, this would ensure the adhesion of the whole population. The Jews, Armenians and Chaldeans would naturally welcome our coming, and they represent the influential portion of the community.

“ You have to your hand on the spot the very man in Sir

### *Mesopotamia*

Percy Cox who could start the new regime, and I sincerely hope the present opportunity will not be lost to bring Mesopotamia under a civilized and decent Government. . . . British and Indian trades are greatly interested in Mesopotamia, and there are enormous developments possible there if the country is properly and honestly administered."

Sir Edward Grey's cold reply might have discouraged Lord Inchcape from offering further advice. Sir Edward wrote, on December 10th : "The considerations which you put forward in favour of an advance to Baghdad have been present to the mind of His Majesty's Government in their deliberations on the whole subject, and will not be lost sight of." Lord Inchcape was insistent. He wrote again in January, when Mesopotamia was subdued. He said that he knew the settlement in the country would depend "on larger political issues," but there were certain points which he wished to raise. "It is very important that we should control all the region between Mosul and the Gulf," he wrote. "This includes an area with petroleum and other valuable mineral deposits, and an agricultural region which, if properly irrigated, can become one of the principal granaries of the world. . . ."

"If in this region we could secure control of the administration and all means of communication, including especially a railway from Baghdad to the Persian frontier, it would be a great advantage for British interests. We should also have an adequate representation in any railway between Mosul and the Mediterranean. Aleppo is likely to become an important trade centre, and it would be to our advantage if the port for

### *Loss of Tonnage in the War*

Aleppo—whether at Alexandretta or elsewhere were made a free port."

The full quotation of these letters reveals the earnestness with which Lord Inchcape followed the war from beginning to end. Almost every phase of the conflict is recorded in a bundle of similar correspondence. Cynics who like to elaborate the story of fortunes made by men like Lord Inchcape in the war would be surprised by the more personal letters in his files. They were not the letters of a mercenary man : not even, in many cases, the letters of a practical man. The sailor's blood in him caused him to endow the ships of his fleet with almost human qualities.

He bemoaned the loss of vessels by submarine attack in long, melancholy letters, in which there was no mention of compensation. When the *Umaria* was lost in May of 1917 he wrote to Sir Lionel Fletcher, at the Ministry of Shipping : "It's pretty hard lines, a vessel built for our trade in India and never meant to see Europe again . . . a very fine vessel, only 2½ years old. . . . It seems to me that it would be better to throw our whole shipbuilding power into trying to provide means of destroying submarines than to expend half of it on building ships to take the place of those that are being sunk. If we can't keep our present tonnage afloat and the Germans go on increasing their submarines and improving them, God help us—standard ships wont." His letters were plain-spoken, but they were valued. Sir Joseph Maclay, at the Ministry of Shipping, continued to call upon Lord Inchcape for help, and in May of 1917 he wrote : "I am quite prepared to do

### *The Coalition Government*

as you suggest and devote myself for the time being to work for the protection and preservation of shipping. . . .”

His power with the Chamber of Shipping is revealed in a letter which Lord Inchcape wrote to Lord Kilbracken, in December of 1917 : “ You will have seen the settlement I made for the *Ballarat*, ”<sup>1</sup> he wrote.

“ May I tell you, again at the risk of being thought to be blowing my own horn, what occurred :

“ I had an hour with Maclay and two Treasury officials and they stuck to the £395,000. Eventually I said, ‘ Well gentlemen, I am not going to haggle over £5,000, or £10,000. Sir Joseph Maclay, I know, is a fair-minded man. I will accept £420,000 but no less. I will retire into the next room and smoke a cigarette and leave you to talk the matter over amongst yourselves.’ To this they agreed. After ten minutes I was called in. Sir Joseph said, ‘ Lord Inchcape, you have been extremely useful and helpful to this ministry all through the war. No words of mine can express the gratitude we feel. I am convinced that you would not ask more for your ship than you consider you are entitled to get and we have decided to pay you £420,000. . . . ’

“ I think I did a fairly good hour’s work for the P. & O. in getting this extra £25,000 and I drove back to the city feeling rather pleased with myself.”

Lord Inchcape’s letters to Lord Kilbracken record many of his reactions to the changing fortunes of politicians and soldiers. He wrote, in May of 1915, of the “ extraordinary arrangement ” of the Coalition Government. He won-

<sup>1</sup> The P. & O. steamer *Ballarat* was torpedoed in the Channel on April 25th., 1918, while carrying 1,500 troops. All were saved.

*Mr. Walter Runciman*

dered how Lord Curzon liked "his sinecure," and he wondered that Mr. Winston Churchill remained in the Government. "I don't think things are looking too well in the war," he said. "I hear the landing at Gallipoli was a terrible business. Two of the P. & O. skippers saw it. The *Dongola*, a transport, not a hospital ship, took 585 wounded men to Alexandria, a 48 hours' run. As many as 58 died on the way—only three doctors and 20 orderlies on board. They could do nothing for them practically and they were in many cases landed with their clothes and boots on as they were handed on board. The skipper told me that the landing parties jumped into 2½ feet of water and with the weight they were carrying, many of them never got up again and were drowned. . . . He says our ships won't be able to keep the sea in the roadsteads on account of submarines and will be unable to afford support to our troops."

One man for whom Lord Inchcape had a growing regard during the war was Mr. Walter Runciman, then at the Board of Trade. Mr. Runciman's letters, always frank, and usually free from the bureaucratic note which was so annoying to Lord Inchcape, seemed to give him especial pleasure. In return Mr. Runciman showed increasing faith in Lord Inchcape's advice and, especially during 1915, he wrote many letters from the Board of Trade, placing problems before him. Mr. Runciman has written:<sup>1</sup>

"He was one of the ablest public servants I have ever known, and one of the most encouraging and generous of friends.

<sup>1</sup> In a letter to the author, September 9th., 1935.

### *A Tribute*

" Long before I went to the Board of Trade, in 1914, I had known how generously he had served India and this country. In official circles his reputation rose to a high level during the year when he negotiated the Indo-Chinese Commercial Treaty. In all the Government Departments where advice and information were sought by sensible Ministers, he had a reputation for wisdom far outside the bounds of the Government Department on whose Committees or at whose table he sat.

" My first acquaintance with Lord Inchcape (when he was Sir James Mackay) was through my father. My father and he were men of widely different tastes : each with a shrewd insight into human nature, and each in his own way a man of striking individuality. In shipping gatherings of all kinds they came together with a sympathy which enabled them to understand the problems which were involved and with an instinctive insight into personal elements as well as the more strict fiscal and commercial doctrines to which they adhered with great pertinacity. They held pretty much the same views ; they liked and trusted the same persons.

" This personal connection through my father led me in 1914 to ask Inchcape for assistance over innumerable problems. I remember one morning asking Sir Hubert Llewellyn Smith what was the best business mind that he could recommend to me for advice on a number of subjects, commercial and industrial. Sir Hubert was a civil servant of the widest experience, and out of the fulness of this experience he said, without hesitation : 'The best mind we can command is Mackay's.' In the two years which followed I had very many reasons for forming exactly the same opinion as Sir Hubert. During that time Inchcape never allowed his personal engagements, the interests of his important firm, or the affairs of the P. & O. and all its associated companies to interfere with his public duties : economy, finance, foreign supplies, arrangements

### *Shipping Problems*

for transport, and innumerable shipping problems were all the subject of his attention at one time or another. He could be called on at nine in the morning or at midnight ; at all times he was available for work almost as continuous and various as that of a Minister of the Crown in those dreadful days."

In February of 1915 Mr. Runciman was dealing with the question of carrying frozen meat from Australia and New Zealand to England. He wrote to Lord Inchcape.

"The position here is that we have not only to provide for our own army and our civilian population, but we have also undertaken a certain responsibility with regard to the supply of the French Army. In these circumstances, it is a matter of great importance that the best possible use should be made of the refrigerated tonnage between Australia and New Zealand and this country. It has been suggested by some person that the Government should requisition the whole of the refrigerated ships engaged in this trade, but I do not myself at present favour so drastic a step. It would be a great help to me if you, together with one representative from each of the Lines concerned, would meet me here at 6 o'clock on Friday evening, when we might discuss the whole position."

Six days after, Mr. Runciman was faced with another problem, with regard to the refrigerated space in the vessels trading to the River Plate.

"I am writing this letter to ask whether you would be willing to adjudicate upon this matter, and to settle what is fair and right in all the circumstances."

It was a significant tribute that the shipping interests

### *Weary of Bureaucracy*

then in argument with the Board of Trade had expressed their willingness to accept Lord Inchcape's decision as arbitrator. In September, Mr. Runciman asked Lord Inchcape to act on a committee to consider trading relations with Germany, after the war.

As the war drew to its close Lord Inchcape became more and more impatient of Government control in commerce and in shipping. In 1914 he had accepted Government interference as being inevitable. Indeed, he had thrown himself into the Great War schemes with enthusiasm. But the four dreary years had convinced him that Government methods were not his own. He was weary of bureaucracy, and the bones of his individualism began to show through. He thought the officials extravagant and dilatory, although he continued to do all that they asked of him. He refused to believe that the fine economies practised by his own companies were not possible in Government enterprises.

The phrases of blind loyalty and docile acceptance of every edict of Whitehall faded when he spoke as chairman of the P. & O. Company and as president of the Chamber of Shipping. Lord Inchcape was tired of the yoke which he had accepted so loyally in 1914, and he began to make virulent attacks upon the control by the Government. This prejudice against bureaucracy grew into a fetish, and later, in 1922, we find him saying :

"The proper and only functions of a Government are to maintain law and order within the country, to provide adequate defence, to exercise most rigid economy, to tax all sections of the community fairly, to encourage thrift, to avoid interfering

### *Increasing Responsibilities*

in labour disputes, and to leave the trade of the country severely alone."

Lord Inchcape did not hesitate to tell the Ministers of his prejudice. They swallowed his pills of admonition, but they did not turn against him. They asked for his help again and again, for his power in committee was still unique. He had a frightening way of always being "right," and even if this gift sometimes made him overbearing and intolerant of minds which worked less brilliantly than his own, he was invaluable. His brusqueness was overlooked by his colleagues for the sake of the light which he gave to every problem placed before him. When he died, *The Times* said of Lord Inchcape that "probably no civilian outside the Cabinet discharged during the war a greater range of administrative activities." The year 1917 was still more crowded than the last. He was elected a member of the Imperial Defence Committee, a member of the Empire Parliamentary Association and also to the Council of the Australasian Chamber of Commerce in London. He was a member of the Admiralty Transport Arbitration Board and treasurer of the Royal Merchant Seamen's Orphanage. He was later a member of Lord Cunliffe's Committee on Currency, the Casual Labour Committee, the Commercial Intelligence Committee and the Air Ministry's Advisory Committee on Aviation. During the last years of war and the first years of peace, these offices increased to such great number that a list of them would tempt the reader to skipping. There was one amusing tribute to his impartiality as a judge, in 1918, when there was a public scare

## *The High-water Mark of Patriotism*

over the amalgamation of banks and the dangers of the great "money trusts" which were being created. Although Lord Inchcape had engineered some of the big amalgamations which were being criticized, he was appointed chairman of the Government's Committee of Inquiry "into banking amalgamations as affecting public policy," and later he was elected chairman of the committee appointed by the Treasury "to control bank amalgamations."

During this flood of public duties, Lord Inchcape found time to extend the ramifications of his company, and in 1917, many other lines trading over Empire routes, while still retaining their character as individual concerns, joined his combine. During this period, the P. & O. Group were able to build up funds with which they survived the years of depression that followed, at the same time paying liberal dividends. His policy was bold. At a time when other shipowners were afraid of expansion Lord Inchcape's courage and imagination were stronger than ever. He did not know fear, nor did he contemplate the possibility of defeat. He went on with his ambitious schemes and strengthened his companies in the hours of national weakness and alarm. His foresight brought its rewards when the war was over, during the short-lived boom which came after 1918.

At the end of 1917, Lord Inchcape subscribed, through his companies, his friends and from his own fortune, the sum of £9,279,330 to the National War Loan, a gesture which Mr. Bonar Law described in a letter to him as the "high-water mark of public spirit and patriotism."

### *The End of the War*

No man made less effort than Lord Inchcape to cajole the Government or to woo honours out of the Ministers. Indeed, it is sometimes surprising to read the letters and speeches in which he made his attacks upon Government control and expenditure and then see the willingness with which the departments swallowed his medicine, to continue to call on him for help, and to bestow honours upon him. It was no doubt a tribute to the Ministers and officials, as well as to the shipping magnate, that they survived so many outbursts of candour and allowed the affairs of the country to assume first importance. In February of 1918, Lord Inchcape consented to act upon yet another committee, also at the request of Mr. Bonar Law, to consider methods of expenditure in Government departments. He did this willingly, for he was now full of ideas on the subject. In May of the same year the Ministry of Shipping sought his advice about the plan to build a port at Al-Kantara, in the Suez Canal. The Palestine railway, which linked Jerusalem to Egypt, ended at Kantara, and wharves had been built on the canal banks during the war for the transport and accommodation of troops and stores. Lord Inchcape's report was coloured by his pessimism over the future of Palestine. The fanaticism and dreams of the Zionists were not likely to beguile him. He thought Palestine to be an arid and hopeless country, and he never became interested in the plans to settle the Jews on the land.

When the end of the war was in sight Lord Inchcape was exultant, not only because of the cessation of fighting, but because of the promised release from Government control. He breathed once more : the individualist was

### *Reconstruction*

to come into his own again. Lord Inchcape sent endless letters to *The Times*. He wrote, on October 29th :

" Those of us engaged in commerce have put up with irritating restrictions and have made the necessary sacrifices to help to beat the enemy. We have said for the last four years, 'Let us get on with the war.' When the war is over we shall say, 'Let us get on with our business.' "

At the meetings of the Suez Canal Board in Paris, he stirred the members to fight against the bureaucratic octopus, and when he returned to London he wrote letters to his French colleagues enjoining them to support him. He pleaded with the managing director of the Canal Company :

" We have had a long fight for shipping independence, and I think we have won the day. . . . If our French friends stand up against Government control in France as the Commercial Community are doing in this country, if we all speak with one voice, we shall save both France and Great Britain from financial disaster."

Lord Inchcape threw himself into the schemes for reconstruction. They meant *life* and *creation* to his impatient mind. He was tired of the war cries of co-operation and camaraderie, and he wrote feverishly of his beloved individualism. " The wealth of the Country was built up not by any bureaucratic organization or by Government help or suggestion, but by *individuals*. . . . Great schemes for national capital expenditure will have to be avoided. . . ." This was the way along which he saw a solution of the

### *Individualism*

problems of peace. In June the Board of Trade asked him to help in planning the future of shipping, "especially in view of Japanese and American competition." In spite of his distrust of the methods of the Government, he was drawn still closer into the official maze. There was one appointment which suggested a release from committees. In July, Lord Churchill asked him to join the Board of the Great Western Railway Company. He was pleased by this fresh interest, for he liked Lord Churchill as a friend. Nor had he become too serious to remember his early pleasure over trains. He exploited his new office by riding sometimes on the engine. There is an attractive story of his arriving by train one night to join his wife in a country hotel. (He had been forbidden to ride on the engine because of the danger to his health.) He hid his hands on arrival. But there were smuts on his face and, like a naughty boy discovered in a prank, he was sent off to wash. But the railways were no more than an interlude. Lord Inchcape turned back to his pet grievance, and the Government departments continued to be the scapegoats of his discontent. "Control of everything has gone rampant," he had complained to Mr. Runciman in September of 1916. "We shall be a nation of functionaries ere long, and all enterprise and initiative will be killed." "Every bureaucrat is a man taken away from the productive power of the country," he said, in the House of Lords, in August of 1918. "We don't want the business side of the country to be carried on by the Government. . . . Make no mistake—if any attempt is made by any Government to interfere with the liberties of the people, or to

### *The Armistice*

dragoon them after the German fashion, that Government will be ignominiously hurled from power. This country has made its way by individual effort and organization ; it would be fatal to smother them."

This speech to his fellow-peers was the culmination of Lord Inchcape's unrest. He quoted compelling figures to show the ravages of taxation and national debt, and in his plea for the interests of shipping he reminded the House that 8,000,000 tons had been lost during the war. "The P. & O. Company," he said, "has now only one ship running to India, China, or Australia ; every other vessel has been withdrawn, either for hospital purposes or armed cruisers, or to bring men, munitions and food across the Atlantic ; and the trade which the company has built up and occupied for the last fifty years or more has meantime had to be abandoned."

When the Armistice was signed Lord Inchcape was like a prisoner set free. He drew bitter prejudices out of the war ; prejudices which never left him, especially in later years, when his own companies suffered in the world depression. He became less tolerant and more violent in his demand for progress. And it was always to be progress on his own terms. His brilliant mind devised the reconstruction of the world and, however easy it may seem to be a theorist, it is a bitter experience to read his letters of 1918 in the light of what has followed and realize how often he was right. One of his most revealing letters was written on December 6th., 1918, to General Smuts, for whom he had great respect and admiration. "I am sure you won't mind my opening my heart to you," he wrote.

### *Letter to General Smuts*

"I read your speech at Newcastle some weeks ago. You then sounded the note that will get this country back into its strides of prosperity. You said Government control of industry in this Country must be abolished. The Mercantile Community welcomes your pronouncement and they look to you. You are not a hide-bound official but a man with a broad conception. . . . What the Country wants is not to be told by Officials what they may now do but what in the interests of the Country they may *not do*. What they may *not do* will rapidly disappear if you remain at the head of the War Cabinet Committee.

"Five lines of a Government order saying what may not be done and two lines saying that everything else may now be done will do more than anything to bring the Country back to Normal. . . . Free the industries, free the export trade, free the building trade, do away with licences and you will find that there is ample employment for every one. If we start Government workshops we shall do as the French did, land the Country in bankruptcy.

"We want to turn as much out of the Country as we possibly can in the shape of manufactured goods, coal &c. in order to get a favourable exchange. Someone said to-day, we don't want to free money to go abroad. I said, how is money sent abroad ? It is only in commodities. If the Argentine raises a loan here, it is not paid in gold. We don't produce any. It is paid in exports, cotton fabrics, railway material, railway waggons and locomotives, ships, services rendered. I said, We don't produce gold in this Country. How else is the money sent abroad—only in manufactures. He was dumb."

Eleven days afterwards, Lord Inchcape carried his impatience to the fountain head. He appealed to the Prime Minister to release the great fleets of ships from Government control. "We are being attacked in all quarters by

## *Demobilisation*

Japanese, Americans, Dutchmen and others," he wrote, "and if our ships are not immediately released to re-enter the trades which they previously occupied we shall be done. . . . I hope you will tell Sir Joseph Maclay that you want shipping to be freed except so much as may be required for purely military necessities. . . . If you do, you will earn the gratitude of the country in shaping peace and reconstruction, as you have won it in winning the war."

More letters were written to *The Times*, and on December 21st. Lord Inchcape wrote to Sir Eric Geddes, "pleased" because he was to take charge of demobilization. "It wanted a business man to get us free of all this control," he wrote. Many of the officials of the peace programme called upon Lord Inchcape for help, as they had done during the war. "I hope to have the benefit of a long talk with you on the subject," wrote Sir Eric Geddes. "The mere demobilization of the Army is, I find, going to be quite a simple thing compared with getting trade on its legs again, and I look forward with pleasure to your able help in this National task."

With great delight Lord Inchcape came upon Macaulay's criticism of Southey's *Colloquies*, and in his words he found his comfort and his watchword.

"Our rulers will best promote the improvement of the nation by strictly confining themselves to their own legitimate duties, by leaving capital to find its own lucrative course, commodities their fair price, industry and intelligence their natural reward, idleness and folly their natural punishment, by maintaining peace, by defending property, by diminishing the price of law, and by observing strict economy in every department of the State."

### *Sale of Standard Ships*

In the midst of his anxieties over shipping and his persistent campaign against the lethargy of the Government, Lord Inchcape was called on, by the self-same Government, to perform what was one of the most important and certainly the most spectacular service of his career. He took over the sale of the fleet of standard ships, built by the Government during the war, and afterwards, the sale of the ships which had been captured from the enemy.

#### **1918-1922**

Early in 1919, the Government asked Lord Inchcape to take over the responsibility of the sale of 156 standard steamers representing more than a million tons. He carried through the many deals, producing almost £24,000,000 at a cost to the country of a few hundreds. He then took over forty more steamers, with a dead-weight capacity of 343,751 tons, increasing the profit to the Exchequer to £35,000,000 and still keeping the costs of sale down to £850. The romance of his achievement lies in these simple figures, for there are few notes of the many interviews and the bargaining, or of the complicated arrangements for payment by the many shipowners involved. Lord Inchcape was able to write to the secretary of the Chamber of Shipping on July 18th., 1919 :

“ . . . the intromissions in connection with the payments to Government, the Shipbuilders and myself, have been carried through so far without a hitch.”

After this great work the Ministry of Shipping seemed

### *Sale of Enemy Ships*

to take few important steps without asking for Lord Inchcape's advice. A few months afterwards, in November, Sir Joseph Maclay wrote to him.

"Under the Peace Treaty the Allies have power to call upon Germany to build for them 200,000 gross tons of shipping yearly for five years, and the question is whether so far as Britain is concerned such a right should be exercised. Perhaps you will think about it and any evening you are homeward bound and it is convenient, you might look in."

A letter of eleven lines told all Lord Inchcape had to say upon the subject :

"I am on first thoughts very doubtful if the clause in the Peace Treaty will be of any use to shipowners in this country. The question of costs, plans, specifications &c., would have to be considered. The provision as it strikes me at present is only a pious one and I think it is very questionable whether it will ever be availed of. If we could exchange it for something more commercially tangible it might be of some use. . . ."

The culmination of Lord Inchcape's Government service came in 1920, when he took over the sale of the British share of ex-German tonnage and the sale of the Mesopotamian war-craft. In their proposals for the sale of ex-German tonnage, the Managing Board of the Maritime Service reported :

" . . . the task of selling about 300 ex-enemy ships amounting to about two million tons gross within a period of eight months is one of great difficulty and delicacy."

### *Government Appreciation*

The report then referred to the earlier sale of the standard ships by Lord Inchcape :

"The British Government found that any attempt to dispose of the ships by public auction, or in a manner which did not command the confidence and co-operation of the British Shipping Trade, was impossible. They were fortunate enough to enlist the service of Lord Inchcape, who may be regarded as the doyen of British Shipowners, and who has acted on several important occasions during the war, notably in fixing the Blue Book Rates, as an impartial and tactful arbitrator between the Government and the Shipping Industry. . . . The British Government were glad, therefore, to avail themselves of the services of Lord Inchcape in disposing of the enemy tonnage allotted to Great Britain. . . . The Managing Board again call attention to the fact that if they were unable to take advantage of some such organization as provided for above, it would be practically a physical impossibility to organize the disposal of the British share in the time required. . . ."

Lord Inchcape made his report on the great sale in January of 1922. He had sold 418 steamers, vessels and trawlers of 2,500,000 tons, equal to the combined fleets of the P. & O. and British India companies. A few clauses from his report to the Reparation Commission show the way by which he carried out his negotiations with the purchasers. He wrote :

" . . . I drew up, at the outset, a form of advertisement by means of which all the ships were publicly placed on the open market for sale, at first to British buyers only. Later it was decided, with your approval, to open the market to the world,

### *Lord Inchcape's Report*

where British buyers, after they had been given a certain time in which to make offers, were not forthcoming.

" The contract forms (copies attached) for cash and deferred payments which I adopted were of the simplest description, bearing a sixpenny stamp. The forms stipulated that in event of any question arising it was to be settled by me. In no instance, except one, was there any attempt to repudiate a contract, notwithstanding the great fall in values which took place during the period of sale, and this speaks volumes for the good faith of the British shipowner.

" . . . Considerable pressure was brought to bear upon me in the spring of 1921 to sell the steamers by public auction ; but, though this would have materially lessened my work, I resisted it, as I was of opinion that better prices would be realized by adhering to sale by private treaty. At that time there were 59 cargo vessels in my hands for sale and a committee of ship valuers and auctioneers was asked to give an idea of what these vessels would be likely to fetch, if sold by public auction. The amount they named for the lot was £972,100 and within a few weeks I sold them all for £1,628,211.

" . . . Where vessels had lain in Eastern waters for something like five years without dry-docking, accumulating barnacles running into pounds each in weight, the plates were almost eaten through and the cost of repairs was heavy. The question of repairs in these and nearly all instances was settled amicably to the satisfaction of the purchasers, without, I hope, sacrificing the interests of the Reparation Commission. The procedure I adopted was to get the claim of the purchaser and to get an estimate of the damage from the technical advisers kindly placed at my disposal by the Board of Trade ; and in almost every case I settled with the buyer for not more than my adviser's estimate. In some cases I settled for a little less. In one or two cases I am afraid I had to give something more. It was a matter of

### *Lord Inchcape's Report*

negotiation and compromise. In a few other cases I was unable to agree a sum with the buyers and I placed the repairs on behalf of the Reparation Commission in the hands of contractors, which I was entitled to do under the contract, the result in every case being that the repairs were executed for several thousand pounds less than the amount claimed by the buyers. In one case, having failed to arrive at a settlement, I cancelled the sale, repaired the ship and re-sold her at a price which, after paying the cost of repairs, was very considerably more than the figure that would, less the allowance claimed, have resulted from the first sale. Had I given way to the original buyer and paid him the amount he claimed the Reparation Commission would have suffered loss to the extent of £4,744 14s. 10d. In another case the buyer's claim for repairs was £68,970, but I got the repairs executed for £50,000. There were in all 184 claims for bottom damage which I settled. The settlements involved a good deal of negotiation.

" . . . The only vessel I have failed to sell is the *Prinz August Wilhelm*, lying at the bottom of the sea off Colombia, and I am told she is completely silted up and irrecoverable.

" . . . The amount realized by the sale of the 418 vessels is £20,076,216 7s. 9d. 194 Vessels were sold for £13,382,496 7s. 9d. direct to purchasers without the intervention of brokers, while 224 were sold through these intermediaries.

" The ages of the 418 vessels ranged from new ships to one of 48 years old. The prices realized ranged from three to seven figures. You know what each ship realized but it would be unfair to the buyers to disclose these prices in detail. The actual cost incurred for staff in selling the ships, agreeing and paying claims for bottom damage, transferring the ships, receiving the purchase money and paying it over to His Majesty's Government amounts to £8,095 16s. od. equivalent to 9½d. per £100 on the £20,076,216 7s. 9d. realized. If every item of

### *Fleet of Obsolete Ships*

expense mentioned above is included it works out at 2s. 7 $\frac{3}{4}$ d. per £100, or just over  $\frac{1}{8}$ th of a pound per cent. I need scarcely say that nothing has been debited for my personal services or expenses either directly or indirectly.

“... Nothing I have ever done has given me greater satisfaction than carrying out this work for the Reparation Commission from whom I have at all times received the greatest courtesy, consideration and support. They have not in a single instance questioned any of the measures which I have adopted in sales or settlements.”

In the years that followed, Lord Inchcape came to regret the action of the Government in selling the captured enemy shipping and thus swelling the merchant fleet with millions of tons of obsolete vessels. In his speech to the shareholders of the P. & O. Company, in 1920, he said :

“ My experience of these German ships has been an interesting one. While many of their recently built cargo vessels are excellent in every way, the passenger steamers are as a rule not a patch upon ours, in design, arrangement, comfort, ventilation, or deck space, and the accommodation provided for the officers, engineers and crews is miles below our standard. In every case large sums of money will have to be spent to bring the passenger ships up to anything approaching British ideas, and even then they will fall far short of our own ships. The shipbuilders and shipowners of this country so far as I can see had nothing to learn from Germany in ship construction.”

The Germans had sunk their navy at Scapa Flow and had saved the world and themselves a great deal of trouble. If the non-combatant tonnage had also been sunk, British shipbuilders and the dependent iron and steel

### *Effect of Shipbuilding*

manufacturers would be in a less terrible plight than they are in to-day. While the shipbuilding yards were idle, shipping companies were using the second-hand ships which they had bought from the Government, through Lord Inchcape. If he had been a man of superhuman foresight (which he never claimed to be), he might have made the great imaginative gesture of advising the scrapping of the standardized and captured ships. It is tantalizing, in the present state of shipping and shipbuilding, to think of the benefit this would have been to the country.

## CHAPTER TWELVE

*Glenapp Castle—Lord Inchcape at home—His yacht,  
his amusements and his servants.*

1916–1932

ONE SECRET OF LORD INCHCAPE'S SUCCESS WAS HIS DEVOTION to time-tables. His orderly mind demanded punctuality, and there were few places in his house where you could not glance up and find a clock, to warn you of the foundation upon which the master's life was built. This obsession over the value of minutes was as strong in his leisure as in his work : whether he was in his office or walking in the gardens of his country house. A few years after his return from India, he had bought Chesterford Park, near to the Cambridgeshire boundary of Essex. In 1917, he went back to his own country. Chesterford Park was sold, and Lord Inchcape bought Glenapp, a castle in the Scottish baronial style, surrounded by 15,000 acres. His new estate was in Ayrshire, and here he was able to shoot over his moors, and to board his yacht in Loch Ryan, two pleasures more dear than any of his other relaxations.

Lord Inchcape built a beautiful room on to Glenapp Castle, with two great windows. One looked up a slope of lawn to a mass of rhododendrons and, behind them, the darker firs. The other window looked out towards the sea. Within the room, which was big and almost square, he had

allowed himself his first indulgence for inanimate and beautiful things. He had never been troubled by æsthetic sensibility, and the comforts and luxuries of his life had always been arranged for him by his wife. But this new room had been a delight, and he had gone on many of the shopping expeditions with her to buy tapestries, a desk, tables and chairs. It was his *own* room, withdrawn from the rest of the big house. Here was to be his retreat from guests and noise. Two vast silver sailing ships stood in the windows. In the centre of the room was his desk. The objects on the desk revealed the character of the man who sat there. His magnifying glass, his spectacle-case, his clock, his bell and the photograph frames were all tortoise-shell, mounted in gold or silver. They were still arranged in orderly lines after he had been working at the desk for three hours. Even the pins in the lacquer-mounted cushion were arranged in a straight line. Every now and then, as he worked, he would move the ash from the tip of his cigarette, lowering it carefully into the palm of his hand. Then he would lean over and place it in the ash-tray. The only concession to amusement, in this room of work and quiet, was a beautiful French musical box, in gold and turquoise enamel. When a grandchild came into the room Lord Inchcape would open the box, touch a spring, and reveal a minute bird, made of real feathers, which rose from a gilded nest, to say *tweet tweet*, for their pleasure. He had a talent with children which had not deserted him with the passing of years. One of his daughters has recalled the visits she paid to his room when she was a child. Rather than have to say "Don't touch," as they meddled about,



S Y ROVER MACKEREL FISHING, IAMLASH BAY



### *His Talent with Children*

he had a special "touching" drawer. Here they were allowed to rummage to their hearts' content. His daughter has said : "No day was really quite complete without our visit. I think that he had a wonderful understanding of children and of young people. Our name for him was 'Fatherman.' As we grew bigger, he liked to get good reports of our conduct and work. He never bullied us. One word of praise from him was worth the world to us. When we were children, he taught us to ride, and then to jump on our ponies, and I always remember the first day he took me out hunting. I was about ten. It was marvellous, and I followed him all the run. When we were naughty, it was a terrible punishment to be sent for into father's study. He would give us a very stiff lecture. I remember one time in particular, when he reduced me to tears. As I was leaving his study, he called me back and said : 'I know you are sorry and are going to try now, and remember, Mousie mine, that your old father is always your friend.' A great saying of his was : 'Gently comes the world to those who are cast in gentle mould.' "

The northern window of his room at Glenapp was his chief delight. The turreted castle was high and he was able to look over the tree-tops to the waters off the Mull of Kintyre. It was from the isthmus on the other side that so many hardy Scotsmen had gone out to India in the days which were becoming dim to him now. Between the isthmus of Kintyre and the village of Ballantrae, which lay at the foot of his garden, the sunlight and the water played about the lonely rock of Ailsa Craig. Here was one of the scenes of his leisure. But no day was

### *Mackerel Fishing*

completely a holiday. An arrangement of special messengers brought his post from London to Stranraer and then to the house, so that it arrived at six o'clock in the morning. It was taken to his room, where he read his letters in bed. If the messenger was five minutes late Lord Inchcape would ring his bell—three staccato rings—to ask why. He breakfasted alone with Lady Inchcape and afterwards, when the answers to the letters had been dictated, he went down to the sea and on board his yacht. He steamed out to the rock, or beyond, round the Mull. Some of his papers travelled with him, in the hands of a calm, silent secretary who understood his ways to perfection. Lord Inchcape fished for an hour and then he returned to his work.

His fishing was not viewed very seriously by his family or his friends. His daughters smiled when, in later years, he used his new 2,000-ton yacht, "jogging along at four knots," to fish for mackerel. He would sit with a chosen friend, on wicker chairs, at the stern of the *Rover*, and pass the warm summer morning with a delight which would have pleased Walton, accompanying his fishing with story-telling : harmless, schoolboy stories which revealed the simplicity of his humour. He had a taste for puns and a memory for harmless limericks. His catches of mackerel were as much a triumph to him as his bags of grouse. He wrote all the way to Burma to tell Sir Harcourt Butler :

" We have killed so far 540 brace of grouse and should easily get another 260 brace . . . not bad for our moor. . . . So far we have caught 3,200 mackerel and have been able to feed the country side."

### *His Servants*

One day he landed at Cairn Ryan with a record catch: more than six hundred. There was a big house-party at Glenapp and Lady Inchcape had told him that the fish would be welcome in the larder. During the five-mile journey home he had stopped at almost every house, giving the mackerel away. When he arrived home only twelve of the six hundred were left for his guests.

Even on the *Rover* there was a cabin set aside for business. There his letter-files and his mail-bag were arranged : and the slim sheets of paper upon which he always wrote his notes, in pencil. Nearby, a wet mop was always waiting, because he had a habit of suddenly wishing to wipe a mark from the deck. He was almost too tyrannical in his love for polish and scrupulousness. The crew of his ship numbered more than thirty. In the forests and gardens, and within the house, there were about eighty-eight more men and women in his employ. There was something feudal in the way in which he governed his little kingdom. His friends, and the men who knew him at sea or in his office, saw many aspects of his character, but for those who worked as his servants he kept still another facet which is full of surprises. Most of them were Scots-men, and they were willing to accept his rigorous but wholly just dominion over them. There was something of the grand manner about him which caused one of them to tell the author that " His Lordship was a bit like a king." Once they became his servants, whether in the house, on the estate or upon his yacht, he trusted them and made their lives part of his own. Their marriages, their children, their own little complications of character all became his

### *Discipline*

concern. His demand for perfect service was sometimes frightening. His blunt declaration : " You're late," was a horror to them. Once a servant told him a lie. Lord Inchcape had asked for a newspaper and the servant found that it had been taken out of the smoking-room to the kitchen, by mistake. He brought the paper and said that he had found it in the smoking-room. Lord Inchcape said nothing. Six days afterwards, he rang the bell and sent for the man. " I have not forgotten about that newspaper," he said, " and I am still not satisfied in my mind with the explanation which you gave me." The man admitted that he had lied and added, rather courageously, that a big house could not be run without a little tactful lying now and then. It seems fantastic that the incident could have stayed in Lord Inchcape's busy memory for six days, but this was the way by which he managed those who served him. He forgot and overlooked nothing. But if ever he found that he had misjudged a servant—even if many days had passed—he would seek out the man and say : " I am sorry. You were right and I was wrong."

At the end of a season, some of the sailors on the *Rover* would wilt under the strain of the work and leave his service. But they were the few who had not come into the inner mystery of his trust and regard. His lavishness to his employees when he died was princely. There are aspects of every man's life which are hidden from his family and from his friends. To his servant he reveals himself with curious intimacy, especially if the servant is with him for many years, observing and understanding and tolerating his idiosyncrasies with either affection or scorn.

A man is easily judged by the degree of loyalty he inspires in his servants. If this is so, we discover many happy lights upon Lord Inchcape's character through the affection of his valet and his forester, and the almost poetic devotion of his gardener. We are allowed to escape from Leadenhall Street to find these old servants at Glenapp.

It has often been said that a rich man can afford the luxury of buying the loyalty of his servants, and that through his munificence he may purchase affection. Some cynic has already said that gratitude is no more than the "lively expectation of favours to come." But the Scotsman of the west coast loosens his heartstrings with niggardly care and his loyalty is not easily purchased. One feels near to the memory of a truly great and noble character as one wanders through the glens about the castle, talking to Lord Inchcape's old servants, pausing with them in his lovely place, where the birch and the pine and the cedar grow above the ferns, the bluebells and the scampering squirrels. Here the dour, phlegmatic forester unbends. He is careful at first. He has been to England only once in his life and he suspects this eager English writer, with his questions and his note-book. It is through mutual delight over a hill that they are at last able to talk the same language. They come upon it, after the cool green light of the valley. It leaps from the lowland in a sweep of burning gold-brown : a sudden, almost frightening slope, leaning against the blue wall of the sky. It is a hill which Lord Inchcape loved. He walked here many times, and if one turns down the glen a little further, one comes upon the little church-yard in which he is buried.

### *On the Moors*

The forester yields a little and he talks of the moors. "Aye I'll never go out to the moors to load for any man again."

"But why?" he was asked.

"I went with His Lordship as his loader from the day I came here. I'd never go out to load for any man again, not on the moors. He was a mystery to me. I knew him as well the last day as the first. I knew him as well when he came here as on the evening of the last day I loaded for him, when he turned and handed me his guns. He was a mystery : a mystery. He was a man who thought more than he spoke. We like them like that in this part of the country. Men either talk a great deal or they think a great deal. You've no doubt found it that way yourself. Aye, I've seldom met one who did both. His lordship had a fearful eye. I would never have dared to tell him a lie. A fearful eye, he had, piercing you through. I used to watch him sitting in the butts, thinking and thinking. They were wonderful days, being near him. He'd suddenly turn, after not speaking for thirty minutes or more, and say : 'How much did you pay for those boots?'

"And I'd tell him : 'Thirty-four shillings, my lord.' Then he'd say : 'They are as good as mine, and I paid four pounds for these in London.' Then he'd be silent again, sitting there, thinking, pressing the open palms of his hands together, which was a way he had. And then he'd sing :

*Do ye mind lang syne  
When the summer days were fine  
And the sun shone brighter far  
Than its ever done since syne.*

### *An Exacting Master*

He said little, as I've told you. He never encouraged the telling of a tale and he never asked of one man from another in all the years I was on the place with him. And he had no eye for spying as well as no ear for mischievous gossip. He'd change the topic in the twinkling of an eye if you came near it. He was a demon for work and he had the most terrific determination. But I never heard him say a mean thing of any man, or make a mean judgment, nor hurt any man in all the twelve years I worked for him. And one day, when he came from London to rest here, he was driving in towards the castle when he saw me walking beside the road. He stopped the car and he held out his hand to me and he said : 'I am pleased to be back. You have done a great deal to make the place beautiful. It is very kind of you.'

"And in that kindness to me, for I was a servant, you have the truth about him. He was a great man and a great gentleman. I've worked on seven estates and never known a greater."

Forester, gardener and servant admitted that he was exacting. A hard master, pointing a scolding finger if a picture were crooked or if the rugs were awry on the floor : he was a man who exacted the utmost from those who served him. The almost eccentric love of tidiness, which was amusing when he was on one of his ships, seemed to possess him in his own home. But, with the silence, the schooled care, the self-control and the demand for efficiency, there was some quality which held his servants in awe of him. It might have been his sense of justice. Once when he had stormed at a beater for some apparent

### *A Hard Nut to Crack*

mistake he had made, Lord Inchcape was observed by his loader, sitting silently in the butts. "I watched his face and I knew he was thinking about something," the loader has said. "The knitting of his brow told me that. And after a long time he turned to me and said : 'Perhaps I was wrong. Perhaps the man was right.' "

The butler who served Lord Inchcape for twenty years, travelling with him on his journeys to India and Paris and attending upon him at home, seemed to touch the right note when he said : "His Lordship was a hard nut to crack. Yes, a hard man to work for. But it was always exciting to be near him. There was something *terribly beautiful* behind all he did and we loved him." And there is the beginning and end of a servant's devotion to his master.

## CHAPTER THIRTEEN

*The creation of the P. & O. Bank—Lord Inchcape's relationship with the staff of the company, ashore and afloat  
—The crown of Albania.*

1920–1927

THE CONTROLS OF LORD INCHCAPE'S MANY PUBLIC companies were slowly drawn into one big building in Leadenhall Street. Here he sat, in a big, comfortable office, with something of the awe, power and influence of a ruler about him. He did not seem to wish for a grand temple for his enterprises. He had no ambition for an architectural wonder, like Bush House, the Imperial Chemicals offices or Broadcasting House. He was satisfied with the rambling wings and connecting passages which spread out from his own room into the shadowy rabbit warren which he controlled. The affairs of the P. & O. Company and the now intertwined British India Company were managed from the central building in which he worked. He could cross a courtyard, and become senior partner of Gray Dawes and Company, which had many activities outside its steamer agency work. The financial dealings of Lord Inchcape's companies involved enormous figures. They were increased at the end of the war when the P. & O. Company launched a rebuilding programme with the money recovered for ships lost in the war.<sup>1</sup>

<sup>1</sup> During twenty-four years Lord Inchcape authorized the building of 130 steamers for his companies, representing 700,000 tons.

### *The P. & O. Bank*

There is no record of the process of thought which prompted Lord Inchcape to send for his son one day and say : " I am going to start a bank." His son rightly suggested : " That is a pretty big thing to do, father." But Lord Inchcape seemed capable of taking it in his stride. Perhaps he saw little reason for paying the established banks for work which he thought could be done by his own organization. Again he made his own way with little hindrance. He said : " Let there be a bank," and there was a bank. He chose the man who was to command the P. & O. Banking Corporation, Mr. James Mackenzie, who was one of his partners in Messrs. Duncan Macneill and Co. Mr. Mackenzie was afterwards joined by Mr. M. M. S. Gubbay, whom Lord Inchcape had known as a prominent Indian civilian official. Mr. Mackenzie afterwards retired and left his colleague in control. Mr. Gubbay has said : " There was behind Lord Inchcape's personality a driving force which secured the almost immediate realization of his conception and wishes. . . . He had an amazing power of assimilating material placed before him for judgment, and his instinct for separating the wheat from the chaff was almost uncanny."

The bank was incorporated on May 3rd, 1920, and the original subscribers included the P. & O. Company, the Westminster Bank, the National Provincial Bank, and Lloyds Bank. Between them they subscribed 80,000 of the 250,000 £10 shares offered. The fact that his bank was sponsored by three of the " Big Five," who were afterwards joined by the Royal Bank of Scotland, was a tribute to Lord Inchcape's established influence and power.

### *Control of Finance*

The bank opened in London for business six weeks afterwards. With the same blindness to obstacles Lord Inchcape said: "Let there be branches," and there were branches. They were opened in Calcutta, Bombay, Madras and Karachi and, in October, four months after the opening of the bank in London, Lord Inchcape acquired the controlling interest in the Allahabad Bank, thus adding thirty-four North India branches to the corporation.

Now the streams of finance passed more or less under his own hands instead of through one of the older banks. The affairs of the P. & O. Company, the finance of his own trading firms in the East and the huge bills then being paid to shipbuilders for the new tonnage of the P. & O. company all passed through the bank, and, a little later, Lord Inchcape brought its offices into the corner building adjoining his own offices in Leadenhall Street. After a short walk along a passage he could now talk to his bank manager and examine the intricate statistics of his affairs. It was characteristic of his methods in management that he never accepted the charges of his banking firm without comparing them with other estimates, and in both private and company business the P. & O. Bank was obliged to compete in the open market for his patronage.

In 1927 the character of the shareholding of the bank was changed. By this time the position of the P. & O. Bank was assured among the Eastern exchange banks, and Lord Inchcape decided to admit the Chartered Bank of India, Australia and China to a controlling interest. He had been a Director of the Chartered Bank from 1893 to 1897, and the amalgamation was, in a sense, the coming

### *Devotion to his Ships*

together of two of his own interests. This widening of its powers and strengthening of its foundation did not lessen Lord Inchcape's personal interest in the P. & O. Bank, and the manager of the bank has said : " From personal experience I can testify that until almost the last days of his life the operations of the bank were placed before him every day, and they bore the impression of his personal attachment and interest." The added comment by the manager helps us to see one more reason for Lord Inchcape's power over his subordinates. " Perhaps the outstanding feature which remains in my mind, after daily contact with Lord Inchcape, was his ready and unstinted accessibility . . . in spite of his many interests there was never any difficulty in reaching him. He did not surround himself with walls or pretend that he was too busy to listen. One's idea was placed before him concisely, and from a little string tied to the side of his desk he would tear off a narrow slip of paper upon which he wrote his notes. The interview was brief and the notes were few, but the little memorandum was never overlooked. Before evening it would be galvanized into a decision."

### II

It may seem that one has lost sight of the sailor in the story of the magnate of Leadenhall Street. But the growing responsibilities of the city did not encroach upon his first love, and there were touches of eccentricity in the way he showed his devotion to the ships of his fleet. Lord Inchcape very often hurried down to the docks to examine a ship on

### *Eye for Detail*

her return, or on the eve of sailing. He would tend and examine the fire extinguishers, the ventilators and the lighting fixtures with the devotion of a gardener moving among his precious rhododendrons. Old stewards of the fleet still recall, with a sly smile, the figure of their chairman picking up cigarette-ends from the deck. Once, in a moment of indignation, he led a passenger by the arm to the rails, where the ash-box was hanging, because he had dared to drop a cigarette-end on the deck and extinguish it with his foot. On one steamer the purser devised a wicked scheme for currying favour with Lord Inchcape. He was always on deck about eight o'clock in the morning. The purser arranged for two stewards to be stationed at the head of the companion-way, one to the bow and one to the stern. Whichever way he turned for his morning walk Lord Inchcape would discover a diligent steward bending down to pick up a dead match. He was so pleased by the sight of this early-morning efficiency that he went down to the purser's cabin and congratulated him upon the tidiness of the ship's company.

These tricks to please him were not always successful. Once, when he was travelling home in the *Moldavia* from Colombo, he asked that all the officers and cadets should dine with him, in turn. Night after night they scorned his offer of wine and asked for lemonade. The chairman was not impressed by their faked abstinence. Towards the end of the series of little dinner-parties a junior was his guest. When Lord Inchcape asked him what he would drink he said : "A whiskey and soda." Lord Inchcape was delighted. When he went up to the smoking-room he

### *Lady Inchcape's Judgment*

waylaid a friend. "I have just had a young man to dine. He will go far," he said. "He knows what he wants, asks for it and gets it. I have made a special note of him."

Lord Inchcape's knowledge of the younger personnel on the ships was as unerring as his knowledge of the clerks who worked under him in the office. Most of their merits and their delinquencies were known to him, and his memory for the details of their character and achievements was uncanny. At the dinner-table on a ship, walking the deck, or during lunch-parties in Port Said, Bombay or Calcutta, they came under his scrutiny. During the voyages which he made, Lady Inchcape never seemed to be more than the kindly wife of their chairman, leavening their metallic talk of freight and ships with gracious inquiries about wives and children. But she was also playing her part in the scrutiny. Her diary reveals this with amusing details. Long lists of names were written down with brief and apt criticisms. Captain A—— was "smart but rather loquacious." The agent at X—— was "very heavy and Scotch, not smart, but solid and slow." One young man was "very plain," but "very nice," and another was "small, chatty and quite clever, but not very smart." In an organization which employed almost ten thousand people, with the innumerable questions of promotion, transfer and censure, these notes must have been a great help to Lord Inchcape, and there are many evidences like this of the way in which he added his wife's judgment to his own.



Central  
KING EDWARD VIII (then Prince of Wales) ON BOARD HMS WORCESTER  
WITH LORD INCHAIL JULY 1911



*The Crown of Albania*

III

1921

Lord Inchcape's capacity for sweeping unnecessary affairs aside is revealed with startling force in the letters written to him and by him in the later years of his life. He accepted or dismissed plans put before him with decisive, short sentences. Even when the Crown of Albania was offered to him he did not pause to consider it seriously, or even to ponder over the romantic possibilities of acceptance.

In October, 1921, the English representative of big Balkan interests wrote to him :

"DEAR LORD INCHCAPE,

"I have been approached by official representatives of Albania, including the new Foreign Minister, and the very influential deputies, of the new Parliament, for Durazzo, Scutari, Valona and the new capital of Tirana. I must ask you not to smile at the proposition I am about to make to you on their behalf as I can assure you it is put forward perfectly seriously, and so far as possible must be dealt with in a grave and proper spirit.

"I am asked to inquire whether under any circumstances you would consider accepting the dignity of Kingship for Albania? Should the matter interest you your residence in the new Kingdom would be at the Capital Tirana, with a summer Palace at Valona; and if your reply was in any way favourable a special secret meeting of the Albanian Parliament would take place, and an Ambassador would be sent over to London with an invitation couched in honourable and official language.

"I do not know whether this is the first time in your career

### *A Serious Offer*

that you have been offered a Kingdom, and I fully realize of course this is a matter that you could not consider seriously, especially in view of the fact that the new King would be expected to do all in his power financially and politically to help in the construction of Railways, Roads, Schools and Public Buildings throughout the country. The majority of the Deputies in Albania are Moslem. The feelings towards Great Britain are very friendly ; the Tobacco Monopoly is on the point of being sold to a British Group, and an Anglo-Persian Group are negotiating for the Oil Concessions.

" The country is, of course, in a half civilized condition at present owing to Turkish domination for centuries, but its natural riches are considerable. Perhaps next time you are cruising in the Mediterranean you would feel drawn to put in at Valona or Durazzo in order to express your sentiments, whatever they may be, in connection with the offer which I am now seriously putting before you. In any case if you turn it down entirely perhaps you would feel called upon to suggest the name of some wealthy Englishman or American with administrative power who would care to take up the cudgels on Albania's behalf, thereby securing an honourable position as Albania's King.

" Finally, as this matter has been put before you, as stated above perfectly seriously, and not as comic opera, I shall be glad if you will look upon the matter in an entirely confidential way, although some day when you come to write your Reminiscences you may not be able to resist a reference to the incident.

" I am,

" Yours sincerely,

(Signed)

The first news of the offer was sent to Lord Inchcape by special messenger who travelled all the way from London to

### *Refusal*

Glenapp. Lord Inchcape left his family at luncheon when the man arrived and returned to the table with the fantastic news which was passed off as one of his little jokes. It was not until the letter arrived that he was believed. His reply was almost brutally concise. He wrote :

“ My DEAR ——,

“ I duly received your letter of 29th ulto and am sorry I have been so long in replying. It is a great compliment to be offered the Crown of Albania but it is not in my line !

“ Yours sincerely,

(Signed) “ INCHCAPE.”

## CHAPTER FOURTEEN

*The Geddes Economy Committee.*

1921-1922

THERE WERE STRANGE INCONSISTENCIES IN LORD INCHCAPE's attitude towards money as a possession. His letters reveal the great generosity with which he helped causes and charities and they show that he was for ever assuming financial burdens which were not apparently necessary. In April of 1928 Sir Alan Anderson of the Orient Company wrote to ask the P. & O. Company to help in financing a Collegiate Hall for Dominion Students at the London University. "If you are in favour of the Orient subscribing £500 a year for five years, I am agreeable," Lord Inchcape answered. "But," he added, "I would rather save the P. & O. at the present time from adding to its outgoings and would prefer to assume the burden personally. . . . I will make myself responsible for £500 a year for five years, if I live as long." There are other stories which give us a surprising view of the allegedly ruthless man of business. Through Lord Inchcape's recommendation, the P. & O. Company invested largely in the Khedivial Mail Line and the Pan-American Oil Company. When these companies lost money Lord Inchcape took over the shares from the P. & O. Company and stipulated that if they were eventually sold for more than the company paid for them the profit should go to the

### *Parsimony*

P. & O. shareholders. At the end of the war Lord Inchcape used £50,000 of the money of Gray Dawes and Company to buy up a huge car park situated between the Rhine and the Meuse. When a flood wrecked the park and the fleet of cars, Lord Inchcape refused to allow his junior partners to pay their share of the deficit. In great issues Lord Inchcape was always guided by this broad and unmiserly conception of wealth. He once offered to endow the office of the Prime Minister with one hundred thousand pounds, to augment the state salary and to guarantee a pension. He was anxious to draw money into his coffers, but he was not averse to pouring it out again. When his third daughter died Lord Inchcape gave to the country the considerable fortune which she would have inherited. He was splendid in the way he distributed his pounds, but he was awfu' canny in guarding pennies—which were not his own, but for the spending of which he considered himself responsible. His office economies were sometimes almost eccentric. At the end of the war he wrote to his agent in Colombo : "Your people use a good deal of sealing-wax on my letters. I think we might do without it nowadays." When he was travelling on the steamers of his fleet he would nose into every cranny to devise ways of saving money. He once asked the steward to find out what had happened to an unused roll of butter which he had left on his early-morning tea-tray. These cheese-paring methods which he adopted were possible in a great commercial enterprise. But they were apparently impossible in the offices of the Government. Lord Inchcape's old bugbear

### *The Geddes Committee*

of the war years was still virulent and alive. He was almost too irritable and insistent in attacking the departments for the extravagant habits which had been bred in them during the extraordinary conditions of 1914-1918. Lord Inchcape was a director of twenty-four coal, railway, transport and shipping companies, and he knew how a great office should be run. No one was more certain of this than himself. The Chancellor of the Exchequer also appreciated this talent, in spite of the abuse which Lord Inchcape was heaping upon the Government departments, and when a committee was formed in August of 1921 to wield the axe of economy in Whitehall, Lord Inchcape's name was one of the first suggested as a supporter of Sir Eric Geddes, who was to be chairman.

Lord Inchcape announced his appointment in a letter to Lord Lansdowne. He had agreed "with considerable reluctance," he wrote. The entire letter to Lord Lansdowne might be quoted, for it gives a fair summing-up of the subjects which were troubling Lord Inchcape at that time. The letter was written on August 10th, from Glenapp.

"**MY DEAR LORD LANSDOWNE,**

"I am sure it would be a good thing and an example if you were to join the Income Tax Association by sending the Secretary 5s. We are getting an enormous number of members and may be able to do some good. I have read your memorandum about landed estates. It is perfectly heartbreaking. There is evidence of a strong feeling arising in the country against the policy of taxing the landlord out of existence. But the whole country is rapidly approaching insolvency owing to the reckless expenditure of the Government and their mad vote catching

*Sir Robert Horne*

schemes. I had a long talk with Sir Robert Horne last week and he said if things were allowed to go on as they are the Government would be bankrupt. I agreed with very considerable reluctance to join the Expenditure Committee of which Eric Geddes is to be Chairman. We may be able to cut down something but whether we will be able to reduce by the 130 millions which Horne said he wants us to reduce I don't know.

"As things are now, what with Income Tax, Super Tax, Corporation Tax, Death Duties, etc., a man with a large income has nothing left, probably 4s. in the £.

"The country is living on its capital. It does not appear to be understood that the wealth of a country is the wealth of the people and that the Government has no wealth of its own, and that if the community are not permitted to save and accumulate, impoverishment of the people means ruin to the country. As things have gone for a good many years now it almost looks as if our politicians were glorying in the destruction of the accumulations of those who have been hard working, prudent and self-denying. All incentive to saving is being destroyed and the taxation now being levied on all industry is preventing development. If persisted in there can only be one end. . . ."

It was under the Chancellorship of Sir Robert Horne that the great plan<sup>1</sup> for saving money in the departments

<sup>1</sup> The terms of the committee's reference were "to make recommendations to the Chancellor for effecting forthwith all possible reductions in the national expenditure on Supply Services, having regard especially to the present and prospective position of the Revenue. . . . The committee issued two interim Reports—the first in December, 1921, dealing with the Fighting Services and the Social Services, including Education and War Pensions, and recommending economies to the amount of £70,300,000, subsequently augmented by additional

*continued on page 168*

### *Committee Formed*

was begun, and, himself a Scotsman, Sir Robert tempted the humorist by electing a committee almost entirely of his countrymen to frame the programme of parsimony. Sir Eric Geddes, Sir Joseph Maclay and Lord Inchcape were wholly Scotsmen. Lord Faringdon could claim half-Scottish blood. Sir Guy Granet was the only interloper into this close company. Nor was the preponderance of Scottish blood enough, for it was decided to hold the first meeting of the important committee at Lord Inchcape's home in Ayrshire. Sir Eric Geddes had taken a place a few miles from Glenapp. Lord Inchcape wrote to Sir Eric on August 13th :

"I am delighted to hear that you have taken Finnarts. It marches with me and our houses are only a few miles apart.

*continued from page 167*

recommendations of a face value of £1,171,875. The second Report covered the various trade departments, agriculture, police, prisons, etc., and embodied suggested economies of £3,590,000. The third and final Report, the issue of which brought the committee's labours to an end, was published on February 21st, 1922, and tabulated possible reductions amounting to £11,782,300, including a further sum of £3,000,000 under the head of War Pensions. The sum total of these suggested 'cuts' of the Geddes' Axe was £86,844,175—still short of the desired hundred millions. But the committee invited the Chancellor's attention to the reduction of naval expenditure which they expected to result from the Washington Conference (this, in fact, was afterwards found to amount to £16,000,000—more than sufficient to complete the sum which the committee sought); to a still further lessening of naval expenditure under the headings of oil stocks and oil storage; and an additional reduction of military expenditure upon a review of garrisons abroad."—From a note written by Lord Inchcape in the *Journal des Débats*.

### *Meeting at Glenapp*

I hope you will come and shoot at Glenapp whenever you like. . . . Maclay was here on Thursday and we thought you might have the preliminary meeting of your Committee at Glenapp. We can put you all up . . . you will find me an ardent and loyal supporter in your efforts to reduce public expenditure.

I think we can do a good deal to bring the country to a sound basis without throwing up the sponge."

The initial meeting of the committee was held on August 27th. Lord Inchcape did not write many letters during the first days of the committee and there is little to show what he was thinking, until a letter which he wrote to Lord Lansdowne, on October 17th :

" We have been here since the middle of August, having had lovely weather. In the interludes of my ordinary work and the Economy Committee, I have been fishing and shooting. We have had two weeks session of the Committee here and so far as I can judge, we shall be able to suggest reductions in Government expenditure of a hundred millions a year in addition to what they have already secured, which they say is 75 millions. Whether the Government will have the courage to deal with the position, I don't know. If they don't we are bankrupt. Over three years ago, at your suggestion, I made a speech in the house of Lords forecasting what the result would be of all their grandiose schemes for a new heaven and a new earth. I endeavoured to be moderate in my figures and they have all come out right. I suppose this is why Lloyd George insisted on my being a Member of this Economy Committee with all its work and burden, and I have you to thank."

Sir Eric Geddes has said that he recalls no committee

### *Cost of Education*

which worked in such calm and harmony as his Axe Committee. Sir Eric was the only spokesman for all questions, and judgments from the other members were expressed through him. Lord Inchcape was, therefore, Sir Eric's silent lieutenant, although when *The Times* summed up the work of the committee, Lord Inchcape's influence was shrewdly described as "scarcely second to that" of Sir Eric.

During the months of the conference Lord Inchcape could write and speak of little else but economy. His annual speech as chairman of the P. & O., now become one of the most important made in the City, included an attack upon the cost of education. There is a whimsical note in this use of his chairmanship to make a public declaration about the work of Sir Eric's committee. It was a clever way of getting over the ban put upon him while he was in conference.

In his speech Lord Inchcape said :

"Take education. This is now costing the country over a hundred millions a year, against one-fourth of that amount before the war. Teachers' salaries have been far more than doubled, based on the high-water standard of two years ago ; the pensions lately granted will within a very short time, if maintained, involve us in ten millions a year. Education is an excellent thing in its way, but there are limitations to its economic usefulness. The whole nation can't become Bachelors of Art and I am perfectly certain they would be no happier if they were. Experts are excellent advisers, but it is a fatal mistake to give them too much rope. If you do, in nine cases out of ten they will land you in bankruptcy.

"There is to my mind nothing more necessary than that the

### *Angry School-teachers*

inhabitants of these Islands should realize that the Government and local Authorities have no fund to draw upon except what they extract from the people.

All the schemes which may be attractive to the voters are paid for, not by the Government or the Local Authorities, but by the taxpayers and ratepayers. One taxpayer or ratepayer may fondly imagine that the money will come out of the pocket of his neighbour, not out of his own, but no greater delusion ever took possession of the human mind.

If industrial undertakings are depleted, as they are being depleted to-day, by excessive taxation, it means that less money is available for the expansion of industry ; that there is less employment in the country, and a reduced standard of living all round.

“ We have got beyond the limit of taxation—it must be reduced. We can’t increase our revenue, and our only salvation is to reduce our expenditure. That we shall do so I have not the slightest doubt ; the common sense of the country will come to our rescue.”

Perhaps it was inconsistent for a man who always gave liberally to the building of schools and to the financing of universities to stir the Minister of Education and the school-teachers to long, humourless letters in the newspapers and addresses from every platform available to them. His arguments were not against education itself, but against creating an educated class for which there could be no place in the “ black-coated ” professions.

In the same speech Lord Inchcape attacked the prevailing housing schemes.

‘ We started some three years ago on the idea of building a

## *Housing Schemes*

new heaven and a new earth in these Islands, and we have wakened up now to the stern fact that we have no funds with which to build the paradise. It is always extremely disagreeable to have to curtail one's expenditure and to have to draw in one's horns, but if it is necessary to do so to keep solvent it must be done.

"The multiplication of Ministries is landing the nation in enormous expenditure. Buildings, retinues, secretaries, staffs are required. The country is getting filled up with functionaries who are feeding on the people.

"Look at what has happened in the last few years. Well-meaning idealists and pundits got hold of departments and launched out, regardless of expense, without counting the cost, and seemingly ignorant of the fact that the country is poorer by thousands of millions than it was before the war. According to a statement made in the House of Commons recently, five hundred thousand workmen's houses were to have been built at a cost of 500 millions. These houses would have had to be let at a rental of £75 a year to give a return on the capital outlay. Fortunately the Prime Minister stepped in, and he succeeded in limiting the number to the 176,000 which had been started. Even this reduced number, however, will cost the country a hundred and seventy-six millions, and as the houses can't be let for more than £16 a year, the taxpayer will be saddled with ten millions a year to make up the difference, for the next sixty years. This is how the money goes : Pop goes the Weasel."

Dr. Addison, then Minister of Public Health, was "hurt" by Lord Inchcape's attack. Lord Inchcape had used an unfortunate phrase, which nettled the permanent officials in Whitehall, when he referred to the functionaries who were "feeding on the people."

### *Lord Inchcape Attacked*

Dr. Addison said that Lord Inchcape had made "a political speech at a business meeting." Lord Inchcape's attack on public expenditure brought a horde of enemies about him. He was accused of being insensible to the promises which had been made to the parents of men killed in the war. The sentimental aspect of the housing schemes was not as important to him as the financial aspect. Perhaps Lord Inchcape stressed the monetary theme overmuch ! "We have no funds with which to build the paradise," he said. "We do not build new heavens and earths with 'funds,' but with brains and energy," the journalists answered. He said again that there were functionaries "fattening on the people." One writer retorted : "Why should we continue to pay Lord Inchape the same wages for his war loans that we paid him two years ago ? Who *is* fattening on the people ? "

Mr. Ernest Bevin, the docker's "K.C.," paid Lord Inchape a back-handed compliment in his attack. Speaking at Battersea, on February 19th, he said : "I do not take much interest in Sir Eric Geddes. I have been watching Lord Inchape. It is his hand all through that report. He is the man who knows what the rising power of the working classes means. He stands for undiluted capitalism. It is not the saving of eighteen millions on education which is behind that report ; it is the withholding of knowledge from the working classes."

During these early years of peace Lord Inchape suffered his first onslaught of public disapproval. Everybody had always agreed with him in the old days of prosperity,

### *Public Disapproval*

but the generation which was shouldering responsibilities after the war found that there were new forces to contend with. It was not enough to some that the country should recover material security. There were demands that the wings of idealism, upon which the war had allegedly been fought, should not be clipped now that human life was safe again. It was not enough that it should be safe : it must also be comfortable and pleasant. The cry of Equality was heard, not as the wild shout of fanatics, but as the quiet resolution of people who had shared a common and enlightening experience.

Lord Inchcape had not understood the state of mind in which young men went into battle. He did not wholly understand the state of mind in which they prepared to tidy up their unhappy country now that the battle was over. He was abused in the newspapers for his mercenary view. But he was endowed with the powers of twenty average men when his stubbornness was aroused, and he still saw the nation's need within the limitations of an economic problem.

When the Geddes Committee report was finished, in December of 1921, recommending economies worth £120,000,000 a year, the newspapers expressed judgments which were as varied as their political persuasions.

The *Observer* cried "Hands off" to the attack upon education. "Contented, capable, zealous and disinterested teachers are the first of the guarantees of a successful democracy," the journalist said in defence of the salaries paid to teachers. "Power without knowledge is a perilous endowment. Our people have the power and they must

### *The Geddes Committee Report*

have the education, too—more and more of it as time goes on."

Sir Eric Geddes and the members of his committee did not stir up general applause for their plans in framing the material emancipation of the country. "It means the degradation and embitterment of the teaching profession," said the *New Statesman* in referring to the proposed education cuts. "From the standpoint either of commerce or politics the starving of education is madness," said the editorial writer in the *Observer*.

The Geddes Report was published and an "Economy (Miscellaneous Provisions) Bill" was passed, embodying some of the recommendations of the report which could not be enforced without legislation. Six months after the issue of the final report of the committee, *The Times* complained of the "half-hearted attempts" which had been made to redeem the pledges made by the Ministers and heads of departments that the economies would be effected. It was nevertheless true that the report had inspired a saving of almost £100,000,000 a year to the Treasury.

Lord Inchcape was tired when the long negotiations were over. In common with the other members of the committee, he had not missed a single meeting. "I was arrested last August by the Prime Minister and the Chancellor of the Exchequer," he wrote, in June, "and sentenced to six months' hard labour on the Geddes Committee." The "hard labour" did not defeat him nor did it deter him from accepting an even greater personal responsibility, in May of 1922, when he was asked to sail for India to preside

### *Retrenchment in India*

over a Committee for Retrenchment. The Government of India had budgeted a succession of heavy deficits since the end of the war, and the alarm over her finances reached breaking-point about the time when the deliberations of the Geddes Committee ended.

## CHAPTER FIFTEEN

*The India Axe Committee and Lord Inchcape's friendship with Lord Rawlinson and Lord Reading—Lord Inchcape's attack upon the Scottish observance of the Sabbath and upon Missionaries in China.*

### I

1922-1923

LORD INCHCAPE'S JOURNEY TO INDIA WAS AS IMPORTANT to his personal story and development as it was in stabilizing the rickety finances of the country in which his career had begun almost fifty years before. He was tired after the strain of the war, and the gloom of disappointment had already come into his speeches and letters. He now lived in a world which was governed by a sense of values different from those in which he had been trained. During the months in which he was a member of the Geddes Committee he had been depressed by this realization, and he had often complained against the melancholy state of the world. The crash of the old security did not engender gentleness or pity in him. Rather was he indignant and intolerant, especially of the drifting state of the irresponsible young. If there was bitterness in his heart, it seemed to be lifted from him as he steamed towards Bombay. He was going over old seas again, along the routes by which he had gone to India as a boy, to China as a plenipotentiary, and to Ismailia as a director of the Canal Company and as the

### *Return of Arbroath*

doyen of British shipping. Now he was venerable enough to enjoy the avenues of his own memory. His practical mind did not allow him to enjoy too many of these backward glances, but they were enough to show that he was not wholly free from the pleasant human weakness of doting on the past. A few months before he sailed for India he had returned to his old home in the east of Scotland. The wilful youngster of the 'sixties was now a peer and a millionaire. He was Arbroath's most celebrated burgher and the benefactor of its enterprises. He had endowed education and succoured the poor. The people of the town mentioned his name with awe. On this last visit to Arbroath, Lord Inchcape walked on the harbour wall, where he had played as a boy. He had said, at breakfast : "I wish to go to the harbour." Even while he was pretending to rest in Arbroath, the London mail-bag was given to him at six o'clock in the morning. He left his letters and telegrams unanswered—an unusual indulgence—to watch the tide being blown over the wall by the south-east wind. All that he had said, as he saw the little boats at rest in the harbour, was : "Well, they have electric lights at their mast-heads now." Arbroath had also changed. There were radios and cinemas and all the noises and sights of the new generation, which he did not understand. The vulgarity of the south had crept up even as far as this, to shake the calm of the simple Scottish life which he had known as a boy. He did not stay by the harbour very long. He hurried back to his desk, because he could not bear the pile of unanswered letters to grow.

As Lord Inchcape made his way towards India again there



BAL ROW (L TO R) SIK TURSHOJAMAS BHAKUDAS SIK ALEXANDER MU  
SIK DADHIA DALAI

FRONT ROW (L TO R) SIK THOMAS CALLO THE EARL OF INCHICAIL,  
SIK RAJENDRA NAH MOOKERJEE

THE INDIAN RETIREMENT COMMITTEE 1921 and 1922



## To India

was much for him to remember. Upon the ship of his own company he walked with something of a sovereign's rights. Now that he was an older man, with no more goals to make, the trappings of his power pleased him. There is an article in the files of *Business Organization and Management* which gives us a picture of Lord Inchcape about this time. Mr. Arthur S. Wade wrote :

" His appearance gives, under careful examination, a pretty accurate indication of his personality and of his reserves of power. His whole bearing is firm and confident and the poise of his finely-shaped head denotes authority. The nose and mouth are particularly strong, while the brow and eyes could belong only to a man of penetrating and far-sighted intellect. Over his features plays at times a glow of humour and kindness, which are engaging as the gleam of wit enlivening the pages of a book."

This was the journalist's view of the veteran financier and diplomat who was now on his way to India to perform the last of his many public services. There were to be three Indian members of Lord Inchcape's committee : Mr. (now Sir) Dadiba Dalal, Sir R. N. Mookerjee and Mr. Purshotamdas Thakurdas. Lord Inchcape's British colleagues were Sir Thomas Catto and Sir Alexander Murray, also Scotsmen and, like Lord Inchcape, educated in Scottish academies. The caricaturist and club wit were tempted again by this trio of careful Scotsmen who had been chosen to curb the extravagances of British Government in India. We are fortunate in possessing some of Lord Inchcape's rare notes to help us to appreciate the

### *Lord Inchcape's Gratitude*

circumstances which led up to his appointment. He wrote in the *Journal des Débats* :

"The final report of the Geddes Committee was made public in February, 1922. Before its major reverberations had died away, I was . . . invited two months later by the Indian Government to assume the chief role in a similar enquiry in India, and I was pressed to go out to the East without delay. I was of the opinion, however, that to face such a task in the Indian hot weather would have been to court failure. I therefore planned to go out in October. The delay gave time for the marshalling departments of considered financial statements and incidentally gave an impetus towards such economies as they could immediately effect by consideration of their existing needs and resources.

"As before, I was fortunate in my colleagues. . . . The Government Budget for 1922-23 left unbridged a revenue deficit of Rs. 9,16,28,000. This was the fifth of a succession of deficits aggregating Rs. 100 crores, and the current year's deficit threatened to exceed that of the Budget estimate. It was clear that the country could not afford the heavy charges involved by further huge additions to unproductive debt, and that if India was to remain solvent, immediate steps must be taken to balance her Budget."

Lord Inchcape planned the programme of his committee according to the experience he had already gained while working with Sir Eric Geddes in London. It was characteristic of him not to allow his debt to this experience to pass without acknowledgement. "If I had not been a member of your Committee . . . I would never have been sent to India as chairman of the Retrenchment Committee," he wrote to Sir Eric Geddes. "I sat at your feet," he added, with unconscious humour, for it was not a position which he assumed with ease. "I am indebted to you for all I

### *India's Balanced Budget*

have got . . . above all to the lessons I learned on the Committee of which you were Chairman."

When the work of Lord Inchcape's committee ended, early in the following year, with recommendations which brought the saving of £8,000,000 to the Indian Government and the satisfaction of a balanced budget, *The Times* wrote of the report as "remarkable evidence" of Lord Inchcape's "tact and driving power." It was the reawakening and strengthening of this *tact* and *driving power* which gives light to the last chapter of Lord Inchcape's public career.

He became like a young man again, setting out upon an adventure . . . as he had done when he first went to India in 1874. His fellow-passengers found him gay with stories. Hidden away in his cabin, with his secretaries and colleagues, he worked upon the masses of papers which always seemed to accumulate about him, wherever he went. On deck he seemed to be able to forget the weight of his responsibilities, and, to the ship's company, he was the magnate turned raconteur and an eager player of deck quoits. A letter<sup>1</sup> to Sir Harcourt Butler, the Governor of Burma, shows the frame of mind in which Lord Inchcape approached his new duty :

"What I want to do is to get the various departments to agree with me where economies can be made and to say they can make them. I don't want any credit to my Committee and I don't want to pillory any of the Departments. If I do so, the Indian element will say, 'Look at the British Administration and what they have let the country in for!' I want, if I can,

<sup>1</sup> November 27th, 1922.

### *Lord Reading*

in my report to say the Departments, in looking into costs have, in the financial condition of the country, suggested certain economies and we think they should be adopted."

The above note is perhaps the most revealing proof one could find of Lord Inchcape's methods and powers when controlling a committee. Although a professed individualist, he was always at his best in dealing with men of strong character, especially when they also became his friends. In conference and in business, when he was associated with men of similar talents and power, his own strength seemed to increase accordingly. His Indian mission of retrenchment was to bring him into touch with two men for whom he had great admiration ; the Viceroy, Lord Reading, and the Commander-in-Chief, Lord Rawlinson. Lord Inchcape had already expressed his pleasure over the appointment of Lord Reading, in a letter which he sent to Sir Harcourt Butler, in January of the previous year. "I had a long and interesting talk with Reading the other day," he wrote. "He is, of course, a man of outstanding ability and great experience, far and away from any Viceroy India has ever yet had, a man who will hold his own, and I am confident he will do well." Lord Inchcape was almost certain to work in unison with the Viceroy, who had already fulfilled his prophecy.

Lord Rawlinson presented a more alarming problem, for Lord Inchcape's main economies were to affect the defences of India, which he commanded. The war had encouraged extravagance among the army chiefs and, after 1918, it had not been easy for them to return to the

### *Lord Rawlinson*

economical habits of peace. The great soldier and the Scottish economist might have quarrelled had they not shared similar principles and the saving grace of a sense of humour. Sir Thomas Catto has said : "Instead of finding in Lord Rawlinson the antagonism he half expected, Lord Inchcape found both friendship and help."

We are able to turn to Lord Rawlinson's own record of the circumstances which led up to Lord Inchcape's appointment and of the ticklish negotiations which were to diminish the power of his defences in India. Lord Inchcape wrote little, but the Commander-in-Chief was prone to the habits of a scholar, and he had always made records of his career, with both pen and brush. In his *Life*<sup>1</sup> we are given a view of the relationship between Viceroy and Commander-in-Chief on the eve of Lord Inchcape's arrival in India. Lord Rawlinson wrote of the first months of Lord Reading's reign : "Reading has begun well. He evidently means to be master in his own house, and I am sure he and I will get on well together. He pleased me by saying that security must take precedence of finance, and I told him that I would do my utmost to save every possible rupee."

While Lord Inchcape was supporting Sir Eric Geddes in his economy campaign in England, Lord Rawlinson was pleading an opposite cause. "If only I could get some capital to spend on the reorganization of the army in general, and of the frontier in particular, I'm sure I could make India more secure than she has been at any time in

<sup>1</sup> *Life of General Lord Rawlinson*, by Major-General Sir Frederick Maurice, K.C.M.G.

### *Lord Rawlinson's Problems*

my life," he wrote in November of 1921. He thought that, with this capital, he could guarantee "large eventual economies." When Lord Inchcape turned from the English axe schemes to similar plans for India he did not wish to wait for the *eventual* economies of which Lord Rawlinson wrote. It seems difficult, in reading their letters, to imagine that they could ever come to an agreement. Lord Rawlinson continued in his *Journal* : "But where is the money to come from? . . . The only effective economy on the military side must come from the reduction of the British troops, the cost of whom is rising. Whether we can do that or not depends upon India herself. If she will be peaceful we can do a great deal. Peace and retrenchment are admirable cries; but you cannot have peace combined with agitation, and you cannot have retrenchment without peace."

Lord Rawlinson was not unreasonable, for all his soldier's wish to keep up the strength of the Indian Army. When he heard of the appointment of Lord Inchcape's committee he greeted the plan to stabilize the country's finances. He had just "fought like a tiger to resist further cuts in the army to balance the additional cost on the frontier." All this, he said, was "very wearing" and "rather futile," but when he heard that Lord Inchcape was sailing for India he admitted that "the whole position of Indian finance" needed revising. "I shall, therefore, welcome the arrival of Inchcape, who is coming out to run a sort of Geddes Committee for India. A man of his financial experience must see that India's credit depends, first and foremost, upon security, and that credit is what India most wants;

first, to tide her over her financial difficulties, which I believe are only temporary ; and secondly, to develop her resources, which are almost limitless. We take great pride in the canals we have dug, the mines we have developed, the railways we have built, and the education we have provided ; but, as Clemenceau said when he was out here last year, we have only yet touched the fringe of development."

The remainder of Lord Rawlinson's note is also important, for it reveals the state of the country as Lord Inchcape found it at the time of his arrival :

"I am not a financier, but it seems to me that India could well afford a National debt, which she has so far avoided by financing most of her undertakings from revenue. This makes it a perpetual struggle to raise money for reforms which will produce future economies—as in the case of my army programme—and almost equally difficult to get money for productive undertakings. The credit of India is good, and will remain so, unless we imperil her security by doing something foolish. . . . After two years' experience of Indian government, I have come to the conclusion that it is one of the most uneconomical in the world to-day. . . . The state and display which the Moguls introduced into India on a lavish scale, two hundred and odd years ago, still surrounds the Viceroy, the governors of provinces, and the Indian states. Some degree of pomp and ceremony is, of course, necessary in any state, and particularly in the East ; still, I cannot help thinking that Curzon dreamed too much of 'the Courts where Jamshyd gloried and drank deep.' "

While Lord Rawlinson was writing in this strain Lord

### *A Popular Appointment*

Inchcape was on his way to India. Most of the Indian newspapers talked of his coming as the dawn of hope. His appointment was described by the *Capital* of Calcutta as "the best possible proof of the sincerity and courage of Lord Reading to rule India by a generous interpretation of her new constitution." In the careful phrases of *The Times* Lord Inchcape's appointment had been described as "apt and timely." He arrived in Bombay and went on to Delhi, where he was joined by Sir Thomas Catto, Sir Alexander Murray and the Indian members of the committee. Business began almost immediately. It was not long before the all-important and frightening question of army cuts came before Lord Inchcape. Other issues paled in importance beside this. It was fortunate that one of the first subjects discussed by Lord Rawlinson and Lord Inchcape, apart from the actual business of the committee, was the building of Delhi. Upon this matter they were in complete agreement. Lord Rawlinson had written, in July : "When I come away from meetings of Council after fighting for a little money to provide for India's security, and I pass the huge palace which is being built for the Viceroy, I am tempted to curse and swear." Lord Inchcape agreed that the building of the new capital was a monstrous extravagance. They found, too, from the beginning, that they were able to share the privilege of frankness. "I have had a long talk with Inchcape, who is evidently out to be helpful," Lord Rawlinson wrote. "I assured him of my desire to make every possible economy compatible with security." But Lord Rawlinson did not confine his first talk to silken phrases. He had already

### *Frontier Policy*

framed his frontier policy upon bitter experience of the north-west problems, and he was adamant when the subject came into their talk. He wrote, afterwards : "I gave him a long lecture on frontier policy, and told him that, if there was any question now of withdrawing from Razmak, I should resign. I think I got him to see that the occupation of Waziristan would be a real economy in the end. Anyway, Reading quite understands that, and I know he will stick to me."

Lord Inchcape was so impressed by Lord Rawlinson's arguments against economy on the north-west frontier that he made the journey to Waziristan himself and, with characteristic thoroughness, this zealous old chairman, in his early seventies, faced appalling weather and discomfort to go as near to Razani as possible. He spent many hours with Sir John Maffey, who was then in charge, and was wholly convinced of the dangers that would threaten if his economies were allowed to interfere with frontier defences. "India cannot afford to do without men like Maffey," he wrote to Lord Reading. "I understand he is going on leave in July. I think it would be a misfortune if he did not return. I hope he will. It may be thought that Maffey has mesmerized me. Perhaps he has. If so all the Frontier Officers have done the same. They are marvels."

Lord Rawlinson now had a colleague rather than an adversary. Lord Inchcape wrote to him shortly after he came south from the frontier :

"**MY DEAR RAWLINSON,**

"You have given me a reward for my work in India by

### *A New Friend*

arranging for my journey to and from Waziristan and I am extremely grateful. Maps convey very little to an amateur strategist. I know now to some extent the problem with which you have had to deal and I realize why you did not want to clear out before you had boxed the Mashud's ears.

"I had filthy weather but enjoyed every moment of my experience and after dinner in the Mess at Razani, inches of mud outside the tent, a deluge of rain, a frowsy atmosphere, soldiers' rations to eat, half the officers away on picket duty on the surrounding hills, those who were left as cheery as possible, despite the discomfort, when I said good night and retired to my charpoy, having to wade through ankle deep mud, I said to them as I would say to you, I take my hat off to the British Army. You are all marvels and if I may venture to say so, you are respected and beloved by all those you command."

The soldier and the economist were now writing to each other as friends. Lord Rawlinson answered :

"**MY DEAR INCHCAPE,**

"I am very glad to hear you have returned safely and that you were interested in seeing something of our trials and difficulties in Waziristan. You can now understand why I am so fond of my soldiers in that inhospitable country, and would make any personal sacrifice to ensure that their trials and labours were not thrown away. Moreover I am quite certain that my policy is the right one and nothing will make me budge from it. They are fine fellows, those frontier soldiers, are they not ? And if they love me, as you say they do, I love them still more. It is a high honour to command such men."

By March of the new year Lord Rawlinson and Lord Inchcape had agreed upon the main points of economy.

### *"A Tough Old Nut"*

Their agreement was not reached without argument, and sometimes there were outbursts of candour. A secretary recalls one heated moment when Lord Rawlinson turned on Lord Inchcape and said : " You're a devil." The answer came back, quick as a bullet : " You're another." At last the report of the committee was completed, recommending reductions amounting to Rs. 8,95,30,000 in the army expenditure alone. Other drastic cuts were urged in debt services, pensions, commercial departments, charges for collection of revenue, civil administration and payments to provincial governments. But it was through the long negotiations with the Commander-in-Chief that the main economies had been made possible, and, in March, Lord Rawlinson was able to write the good news in his *Journal* that the first balanced budget for six years had been made possible. The new Finance Member of the Council, Mr. (now Sir) Basil Blackett, " was profuse in his thanks " to Lord Rawlinson for the help he had given " by accepting Inchcape's economies." " We owe a great deal to Inchcape," Lord Rawlinson continued. He had " carried through his difficult job with great skill." " He is a tough old nut, and we had many a hard battle ; but he is an AI man of business, has a great fund of common sense and, above all, a keen sense of humour. At the farewell banquet which the Viceroy gave him, he pulled my leg pleasantly. . . . I think I have made a real friend of him. We exchanged photographs when he said good-bye ; and I wrote on mine, ' Together we fought for the good of India,' which pleased him greatly. Altogether, I have got through my budget worries this year with less

*Sir Thomas Catto*

trouble than ever before, and life generally is getting easier."

One more picture of this period of Lord Inchcape's life comes from the notes of Sir Thomas Catto, his colleague. "He was one of the greatest chairmen of his time ; forceful of course, liking his own ways and his own ideas, but courteous, considerate and above all, tactful. I was the youngest member of the Committee and with Mr. (now Sir) Purshotamdas Thakurdas the most difficult, for I was full of suggestions. But Inchcape bore patiently with me, although, in the end, he usually got his own way. He never actually refused any of my suggestions. He considered them all and if he liked them, he adopted them in full. But, if he did not like them, he never crushed me by flatly refusing them. All that he did was to disarm me with a kindly smile and say that he presumed that I would not mind his amending the wording of the suggestion I had written out for him. Then he would change it until, in the end, all that was mine was the sheet of paper upon which it was written. He was extremely subtle in getting his own way. But it was masterly chairmanship and he managed to keep us, through all those months of intense work, as 'a band of brothers.' The words are his own. He worked harder than any of us and he was always the dominating personality. We used to worry sometimes, at the persistence of this man who was already well over seventy. We would glance, one at the other, at the end of the day, when we thought that he had worked long enough and either Sir Alexander Murray or I would suggest an interval.





### *Skill in Committee*

"I recall another incident which was characteristic. The part of our Report which was of paramount importance, both from a political and a financial point of view was that dealing with the Army. There were definite differences of opinion amongst the members of the Committee over the Army economies and when the time came to sign the report, two members, Sir Purshotamdas Thakurdas and myself, refused to sign. I objected to certain details and Sir Purshotamdas considered that the recommendations did not go far enough. I was determined upon unanimity over these . . . the most important of all the recommendations in the report. We had come upon a difficult and trying moment. Inchcape told me this himself, some time later. But he never lost either his temper or his poise. The force of his quiet determination seemed to bring our difficulties into their right proportion. The differences were adjusted, unanimity obtained and we all signed, without reservations. If reservations had been made, the recommendations would, of course, have been weakened in their effect.

"Like all great men, Inchcape had a sense of humour which he could use most effectively. His skill with little stories, used at the right moment, helped us through the hot, tiring months. He liked sometimes to use Latin quotations. Our brilliant and learned secretary Mr. (now Sir) H. F. Howard did not always approve of these flights of classical allusion, and the expression upon his face was an addition to the humour.

"How well I remember Inchcape's method of dealing with those who came before us to give evidence ! He

*Return to England.*

always expected to carry them with us, with his geniality. He tried this way first, and encouraging *them* to make the suggestions for economy. When his geniality was effective, and he carried the witness with him, he was wise and considerate. But in the rare instances when he was frustrated : when his smile was not returned, he could be, and was, hard and unyielding.

“ My other recollections of our months in India are more personal. I remember, particularly, the kindness of Lady Inchcape to us all. She was the perfect wife for a powerful, busy man. She helped silently, and watched over Inchcape as if he were a child. I remember also Inchcape’s daughter Elsie, who was lost afterwards, when flying the Atlantic. He had unbounded pride and affection for her. She was undoubtedly remarkable and had inherited much of his force and personality.

“ There is no doubt that Inchcape was a great man and a great Chairman. Above all, he was a great Britisher to whom the glory and strength of the Empire were something sacred. This shows up all through his career for, time after time, he gave his services to public work. He was not paid for his chairmanship of our committee and even insisted upon paying his own travelling expenses. One could not be in constant touch with Inchcape for a long period of time without feelings of admiration for his great powers of work, vision and innate kindliness. Also, one learned much from his wisdom and patience, born of his long experience.”

Lord Inchcape returned to England. Telegrams and speeches had already allowed him to feel the glow of his

last public success. The Secretary of State telegraphed : “ It is difficult to find words for our admiration of the way in which, as we hear on all sides, this formidable enquiry has been handled by you.”

Perhaps one may be allowed to turn to the columns of *The Times* once more for a summary of Lord Inchcape’s achievement :

“ To-day Lord Inchcape comes home, having added yet another memorable achievement to his record of services to the British Empire. It was a signal act of self-sacrifice for a man in his seventy-first year, with great commercial interests and activities in this country, to accept the chairmanship of the Indian Retrenchment Committee. . . . But Lord Inchcape has never hesitated where he felt he could do useful work ; and his acceptance of this burden was in keeping with a long tradition of public service . . . as the Viceroy declared at the farewell banquet given to Lord Inchcape three weeks ago, ‘ he carries with him, as the years advance, a constant spring of fresh outlook and youthful vigour.’ ”

In January of the new year Lord Inchcape accepted his Viscountcy as a reward for his services in India, and there is a note to an old schoolfellow who had stirred his memories of Arbroath in a letter of congratulation. The schoolfellow was the Reverend Charles Salmond, of Allanvale, Dunblane. In his answer Lord Inchcape said :

“ How extremely kind of you to write me such a delightful letter recalling our boyhood days. . . . Our spheres of life as you say have been different. You became a parson preaching peace on earth and goodwill to men and I went out to fight the world, one of my weapons however being very much like your

*Letter of Schoolfellow*

own. I don't suppose when we were under that old demon of a dominie, Smith, you ever thought of 'wagging your head in a pulpit,' any more than I did of becoming a Viscount. Titles don't change people who have any common sense and though they gratify ambitions they don't alter character. You say we were lazy as boys. I suppose we were, but I fancy we have both made up for it in the last fifty years. You seem to have done better than me. You are enjoying the sunset of life in repose while I am slaving away as hard as ever, but am very happy. I am glad to know that you, like myself, were fortunate in your better-half. Janie Shanks joins me in kindest regards."

II

1925

Although Lord Inchcape was a man with a carefully guarded tongue, seldom rushing into public statements which he was afterwards forced to regret, there were one or two established causes which could always stir him to show his anger. Then his defences were broken down and he would speak his mind. The numerous church services to which he had been taken as a boy in Arbroath had made him bitterly resentful of the dismal ways of observing Sunday among the Scottish ministers, and his life in India had made him suspicious of the merits of missionaries. In June of 1925 he was incensed by a number of stories of the restrictions placed on the young by the Scottish Church and he wrote a vehement letter to the editor of the *Glasgow Herald*. A calm friend whispered advice which was not welcome. "I do not care if I do bring their wrath down

### *A Letter of Protest*

on me," he said. "I am going to send it." The letter was published on June 13th. He wrote :

" I have been rather interested lately in reading the diatribes of certain Reverend Scottish Parsons concerning the attitude of the people in Scotland which now prevails towards Sabbath observance.

" These reverend gentlemen object to Sunday trains, to Sunday Golf, to Sunday tennis, to Sunday charabancs, to Sunday papers, to anything, in fact which is a source of pleasure or interest to the people on the Lord's day. For six days of the week, clergymen live comparatively quiet lives, free to devote themselves to literature and study, to moving about with a few hours thrown in to compose the sermons which they give forth on the seventh day.

" The majority of their congregation have been hard at work either mentally or physically, throughout the week, and there is little attraction as a rule in the sermons to which they are obliged to listen if they go to Church in Scotland. Dogma and doctrine are preached to them in ninety cases out of a hundred based on often quite irrelevant texts drawn from the Old Testament. No wonder a large percentage of their congregations is bored into sleep, and a number have to keep themselves awake by consuming peppermint drops.

" I believe it would be infinitely better if the service in the Scottish churches began at 10 a.m. and lasted for not more than an hour, leaving the people free for the rest of the day to indulge in rational recreation.

" If this were adopted, I feel certain that the Church attendance would be materially increased, especially if the clergymen would confine themselves to lectures such as that given by Our Saviour on the Mount, with practical admonitions for the conduct of life, avoiding dogma, doctrine and theology—subjects which interest very few

### *Anger in Scotland*

"I was brought up in the narrow atmosphere of the Scottish Sabbath, nothing left out to read except 'Good Words,' or the 'Sunday at Home,' with church at 11 a.m. 2 p.m. and 6 p.m. in each case the service lasting an hour and three quarters to two hours. Since then, I have knocked about the world for over fifty years, and I certainly don't look back with much pleasure to the Sabbath restraints to which, when a youth, I was subjected. Nor has my experience shown that the rest of the inhabitants of the world are more wicked than those of my native land, despite the fact that the former are free from that bondage from which my countrymen are gradually breaking away, but in which some of our clergymen would still seemingly like to see them fettered.

"When it is realized by clergymen that 'killjoy' will never fill kirks, the greater will be the influence for good of our Scottish parsons, who, if I may venture to say so, despite the heterodoxy to which I have given expression, are an earnest and devoted band. I know they have only one object in view, and that is to endeavour to instil into the minds of the people the imperative necessity of fearing God, honouring the King, living soberly and honestly, and loving one's neighbour as oneself."

The Editor of the *Glasgow Herald* could publish no more than a slight selection of the hundreds of letters which fell about him, but even these filled about twenty-five columns of his newspaper. Some were from old ladies who wrote sadly : some were from clergymen who prayed for Lord Inchcape's lost soul. Some were from grand officials, ex-Lord High Commissioners, company chairmen, Socialist members of Parliament and Roman Catholics, and some came from younger people who pleaded, with Lord Inchcape, for recreation as well as church services on Sunday.

### *A rejoinder*

He seemed to enjoy the deluge of abuse and to be vastly amused. The cuttings of the hundreds of letters were filed away with care which he never showed for letters of praise. One of the many anonymous writers said :

“ Your recent letter is very flippant. It would be manlier and more straightforward if you would simply state you have entered the Roman Catholic<sup>1</sup> communion and that you now hold *Latin Sabbath* views.

“ Yours truly, but not humbly,  
“ A PUIR SCOTTISH ELDER.”

This last jibe touched Lord Inchcape upon a sensitive spot, for he disliked the “ purple papal people ” and had never restrained himself from saying so. He wrote in pencil at the foot of the letter :

The very last thing I would think of contemplating. Most amusing !

“ Keep for reference.

‘ I.’

Books of sermons arrived at Leadenhall Street. Clergymen sent him “ Notes on Exodus,” copies of religious magazines and tracts. All were returned, with polite acknowledgements. He seemed to enjoy the attacks more and more, and, usually too busy or impatient to enter into arguments after he had delivered a judgment, he bristled and smiled and manufactured new rejoinders for the angry Scots. After ten days he wrote again to the Editor of the *Glasgow Herald* :

<sup>1</sup> Well known in some quarters.

## *Church-Going*

"I fancy you may be glad to dam the flood of correspondence which has followed the publication of my article by publishing the enclosed rejoinder. It looks as if the question did not need more than a spark to make it a burning one."

In this rejoinder Lord Inchcape wrote :

"My innocent little article published in your issue of Saturday, 13th instant has brought forth a number of letters from clergymen criticizing the view I ventured to express. The letters are for the most part extremely courteous and friendly, and I thank the writers for the way they have dealt with my heterodox remarks. Many of them give me credit for a capacity and ability altogether undeserved.

"One clergyman says he never saw me in the Glenapp pew at Ballantrae when he was in charge—I have often been to the church there—but possibly he may have been away in August and September, enjoying a holiday like myself, far from the madding crowd. There are three churches in my vicinity, two at Ballantrae, and the other at Glenapp. Why is he not charitable enough to conclude that when I was not at the Established Church I was either at the Free Church in Ballantrae or at the little church in the Glen, sitting under my respected friend, the Rev. Mr. MacGregor? But, joking apart, I admit I am not as much of a church attendant as I ought to be. Possibly I am now making an average !

"In setting forth my opinion on the views lately expressed by a number of clergymen in Edinburgh, I merely, and sincerely, desire to point out that the inhabitants of the rest of the world are no more irreligious or badly behaved than the people of my native land, although the former do not observe the sanctimonious attitude throughout the Lord's Day which some of our clergymen still desire to see maintained. I was telling a lady

### *Influence of Clergymen*

yesterday of the correspondence in ‘The Glasgow Herald,’ and she said it reminded her of a Scottish town where the blinds of the houses occupied by the ‘unco’ guid’ were pulled down on Sundays, while many of the occupants were to be seen ‘keeking’ out at corners to see what was going on in the streets. One of your correspondents says if I had not been brought up as I was I might still have been living in a ‘butt and a ben.’ I have never lived in one, but I fancy many of my fellow townsmen who are now alive may, despite their early restrictions still be occupying a ‘butt and a ben.’

“I may be wrong, but I hold to the opinion that nothing but benefit can come from a broadening of the view as to Sabbath observance in Scotland, and the sooner the Scottish Sabbath is regarded as a day for rational recreation as well as for religious instruction and worship the greater will be the influence of the clergy for good. I was told when a boy that it was wrong to whistle on the Sabbath. I am afraid I have whistled on many Sabbaths during the last 50 years, sometimes to myself and sometimes to my dog, and so far as I know it has done me no harm. Possibly I might have been a better husband, a better father, a better citizen, and a better man altogether if I had adhered to the old formula. One never knows. But I have had a fairly long experience and contact with the world in many lands, in many circumstances, and with many religions. None of the religions so far as I am able to judge ever attempts to inculcate wrongdoing. I suggest in all humility that it would be better for Scotland if all her clergymen would abandon the narrow view which some of them hold and apparently desire to maintain in regard to the Sabbath. If they don’t, in my judgment they will assuredly lose their influence, which would be a great misfortune.

“There was nothing further from my mind than to have a controversy with the clergymen in Scotland. I admire immensely all those whom I know. I feel sure their objects and

## *Missionaries in China*

mine are identical. All I desired to do in my article was to endeavour to help to bring about the end which I am confident we both desire—the well being of our people. There are, in my opinion, no more cultured, unselfish, or earnest men than the Scottish ministers.

“I notice one of your correspondents suggests that I would have been arrested if I had written an article such as I have ventured to write a century or two ago. I suppose he would like to give me a life sentence now. I would not appeal against it if it excluded hard labour.

“A correspondent writes with reference to my article, which he had read. He says :

“*I remember being told by my history tutor at Oxford that John Knox, the great Scottish Reformer, played golf on Sundays, and that the very strict Scottish Sabbath does not belong to Reformation times, but is of later date.*”

“I have always had a profound reverence for John Knox. This is not lessened by the fact that he played golf on Sundays ! I am afraid I have drawn down on my head the wrath of some of our Scottish divines. Possibly I may find myself, as one of them by inference predicts, ‘with the wicked in hell.’ Perhaps there I may meet John Knox. I hope, however, my heretical views will bear some fruit, and that Scottish ministers will gradually get away, as many of my countrymen are doing, from what I regard as an altogether unreasonable observance of the Sabbath Day. So far as I am concerned, I will finish with the words sometimes used by weary newspaper editors—‘This correspondence must now cease.’ ”

“I am, etc.,

“INCHCAPE.”

Lord Inchcape used the same cannon upon a different target in December of 1926, when he made his annual

### *Missionaries in China*

address to the P. & O. Company. A few days before, Mr. Lloyd George had made a "mischievous speech" regarding China, and it coincided with the depressing report that the P. & O. Company had lost money on its China services. Lord Inchcape blamed the missionaries for this. "Some of my hearers may regard me as a heretic, which I am not," he said. "My belief is that we have, in a great measure, brought about the present condition of antagonism to us in China by sending missionaries there to endeavour to convert the people to Christianity. I ask you how Chinese would be regarded here if they established all over the country a number of mission stations with the object of converting our people to Buddhism. Christian missionary efforts among uncivilized peoples, holding beliefs which find their expressions in fetish and inhuman cruelty, may be, and doubtless are, fully justified ; but the attempt to break down China's ancient faiths, as sacred to the Chinese as Christianity is to ourselves, is, I think, to be deplored. Such efforts, in my judgment, do far more harm than good. I wouldn't support them with a penny. The money spent on these efforts could be far better utilized in our own country. My opinion is that the sooner some of our well-meaning people give up their crusade in India and China the better it will be for us all. Perhaps you may think I have no more right to express these views than the Bishops had to barge into an industrial dispute."

Lord Inchcape's speech pleased those who listened to him, judging by the bracketed *Hear, hear* which appears at points throughout the printed speech, but it did not please some of his critics. He stirred up almost as much dissension

### *Refreshed Anger*

this time as he did when he attacked the Scottish ministers. One suspects that his tongue sometimes moved into his cheek as he declared his anger over the ways of established Christianity, and it is comforting and revealing to come upon the following simple letter, after wrestling with the great issues which distressed him. He wrote to the minister at Tolcross, in 1925 : "Seemingly you have forgiven me for advocating shorter sermons and not objecting to Golf on Sundays, so if they will be acceptable at your Bazaar, I will send Mrs. —— some pheasants from Glenapp."

## CHAPTER SIXTEEN

*Lord Inchcape's friendly concern for his captains—His power in Leadenhall Street—His discipline and energy.*

1926-1927

LORD INCHCAPE WAS ALMOST FANATICAL IN HIS RESPECT for the authority of his captains. He seldom went on to the bridge of one of the ships of his company without first asking permission from the commander, and once, on board his own yacht, he bowed to the verdict of the captain over the dismissal of two members of the crew, against his own judgment. An early incident, when he was in the office in Calcutta, had taught him a lesson which no doubt coloured his relationship with the company's captains all through his life. He was in his thirties then and, in spite of his sailor blood and his training, he was inclined to encourage the equal division of authority between captains and chief engineers. When the ships arrived at Calcutta he entertained the captains and engineers and began to inculcate his notion of equality of status among the staff of the office. About this time one of the ships of the fleet trading between Madras and Rangoon, went on the rocks. The captain decided that by reducing speed he could arrive in port comfortably at daybreak. He sent a message to the chief engineer, ordering him to reduce the revolutions during the night. The engineer ignored the order on the grounds that the reduction of revolutions

### *Commanders and Engineers*

meant uneconomical running. The ship ran ashore, and from this time Mackay had no doubts as to the comparative powers of the commanders and engineers in the company.

James Mackay harked back to the noble traditions of the sea. There had been no engineers on the barques his father had sailed. The ship trading between Madras and Rangoon taught him his lesson, and he almost ran to the other extreme in his veneration for the authority of the captains of his fleet. When he was senior partner of Messrs. Mackinnon Mackenzie he saw every captain when he arrived in port. Every detail was discussed : cargo, passengers and navigation. The rule was easy for the thirty-year-old enthusiast in Calcutta, but there was a touch of the miraculous in the way he kept it still when he was the veteran chairman of the P. & O., governing a world of affairs from his office in Leadenhall Street.

There was one little ceremony often enacted in Lord Inchcape's London house, in the morning, before he went to his office. Lady Inchcape would wish him "good-bye" and say : "Now put on your business face." Perhaps there was a transformation which came to him as he travelled from the little cul-de-sac in Mayfair to the lively office in the city. If he did wear a "business face" in the city he never forgot that the P. & O. was a shipping company, drawing its fortune from the sea. When the fleet numbered hundreds of ships, most of the captains were still received in Lord Inchcape's private office when they came home to report to him and to enjoy three or four minutes' talk. One of them, a charming, single-minded sailor who has since retired to his garden and house on the west coast

### *The Sailor's Point of View*

of Scotland, has said : " He was the ideal master from the sailor's point of view. One knew where one was with him. No humbug. If one did well, and if one never got into trouble, he was a great friend. There was only one marked division which showed the spirit of his welcome. If he was displeased he would invite you to sit on the chair opposite him. If all was well he rose from his chair and invited you to cross the room to share the sofa with him, away from the desk and papers. I remember the last time I went to see him before I retired. He was pleased to know that I had bought a house in Scotland. He wished to know all about the building and all about the garden I was making. ' You must have parquet floors,' he said. I confessed that I could not afford such luxuries. Then he said : ' Have the parquet floors and send the bill in to me.' Interviews with him were always brief ; they seldom lasted more than five minutes. His eyes were kind and his voice was kind. But one felt the stark sensation of being judged . . . judged kindly . . . but judged." A member of the shore staff said the same thing, more glibly. " When the chairman looks at you he seems to open his eye and look straight through you to your back collar-stud."

Lord Inchcape was like a man standing upon a hill. Upon one side were the business men who worked under him. Through the sifting process of promotion, some of them became partners in his firms. The tidy little signature, *Inchcape*, could promote a modest clerk to the security and luxury of a partner—if the man showed the talents he required. On the other slope of the hill—the slope running down to the sea—were the captains. He demanded

### *A Letter to His Captains*

respect for them. He did not brook the monstrous notion that a business man had any right to intimidate a sailor. One incident, with Bombay as its background, proves this—it proves also the exquisite subtlety through which Lord Inchcape governed lesser natures than his own. There was, upon the inland slope of the hill, a man who was talented in the business side of the company's interests. He lived among the files and papers of his office in sunny content, and he yielded to the sin of pompousness and pride. To impress captains with his power he dared to remove the extra chair from his office so that they would be obliged to *stand* before him as they talked. This was his one sin against Lord Inchcape's code of all a partner should be. When the time came to promote him he sent for this man and announced his decision. But he added : "I am told by others that you can be very objectionable at times to the company's commanders. It is only right for me to mention it to you. But, of course, I do not believe it to be true."

Lord Inchcape's relationship with his captains was revealed in a letter which he wrote to them in 1925. It was a rule in the company that not even another director was allowed to communicate direct with a captain. This letter is all the more valuable as a key to the personal regard and anxiety with which Lord Inchcape watched and controlled the passenger ships.

"Paris, 16th May, 1925.

"MY DEAR CAPTAIN . . .

"I would like, if I may do so, to send you a few lines about our ships and their internal economy.

## *Care for Passengers*

" We have recently put into the water, and are about to put more, high class up-to-date, large, comfortably furnished, well fitted and expensive ships. Our idea is to forecast the future, as these ships, barring casualty will be with the Company for the next quarter of a century.

" The passengers we carry are for the most part agreeable and reasonable. Now and then we come across those who are not, but they are a small minority.

" Ashore in London and at all our Agencies we strive to be civil and obliging, making it a point to endeavour to show each individual that we have his or her interests at heart. We have very few complaints from passengers regarding inattention or inconvenience suffered afloat ; on the contrary, a day seldom passes that does not bring us eulogistic letters.

" When we have a complaint we always acknowledge it courteously and enquire into it. If we are at fault we apologize, and if necessary give compensation.

" Our effort is to maintain and increase the goodwill of the travelling public.

" All suggestions received from the Commanders, inspired by a desire to improve the ships and to add to the convenience and comfort of the passengers are welcomed, considered, and in many cases adopted.

" Steps are being taken to improve as far as possible the vessels which have still ten or fifteen years of life in them and to endeavour to bring them up-to-date.

" Practically the successful running of a ship and the whole internal economy depends on the Commander. His duties are strenuous in the extreme, responsible as he is for the safety of the ship, for navigation, discipline, fire and boat stations etc. The tidiness and cleanliness on deck and below require a constant and scrutinizing eye. The food, the service, the equipment of the writing tables, the amusement and entertainment of passengers, his manner, his disposition to listen to complaints

## *Commanders and Chief Engineers*

or suggestions, all require constant and unremitting attention on the part of the Captain, and often the control of temper, and in some cases he has to assume a virtue if he has it not ! He has to rely on those below him to ensure that things are being properly carried out, which means frequent and friendly discussion with his Officers, Engineers, Surgeon, Purser and Chief Steward.

" The successful administration of a large passenger steamer, in addition to the responsibilities attached to navigation, frequently in bad and thick weather, in narrow waters, is a heavy and often anxious task, and voyaging as I have done a good deal in our ships, I am greatly impressed with the skill, capacity, care and devotion, of the Commanders, Officers, and Engineers of the P. & O. Everyone is always smart and alert.

" I have with satisfaction observed in many cases the intercourse which exists between the Commanders and the Chief Engineers. The latter are often in friendly consultation with the Commanders on the bridge, and in such cases they both appear to be working hand in hand in the interests of the Company. This is all to the good. In addition to his great responsibility in connection with the propelling power of his steamer, the maintenance of discipline, good order and good feeling below, much depends on the Chief Engineer so far as comfort of passengers is concerned in seeing that the lighting, water supply and sanitary arrangements, refrigeration, fans or punka louvre system are kept up to concert pitch.

" The friendly reception of passengers on their embarkation, and a steward conducting them to their cabins and giving them personal attention, create a favourable impression at the outset, while seeing them off at disembarkation and helping them to get comfortably ashore, lead to their carrying away agreeable memories of the ship and those on board. People are travelling more frequently than they used to do, making their stays abroad shorter than formerly, and they remember the ships on which

## *Details of Service*

they found themselves comfortable, and their commanders, and they select them again.

“ Smoking practically all over the ship, except in the Dining Saloons and in the Music Rooms is now the order of the day with passengers, and it has to be accepted. Cigarette ends, used matches and pieces of paper are dropped everywhere and unless they are constantly removed or swept up, they give an untidy appearance to the ship. Empty cups are placed on deck by the passengers and these should be cleared away as soon as possible after the eleven o’clock soup.

“ The Stewards should see that empty cups, glasses and tumblers and used plates are promptly removed from the public rooms and not left about. Leaky joints in the steam pipes on the decks should be promptly attended to and the waterways dried up after washing decks. Rust on ironwork should not be visible and discharge of oil or water from winches across decks should be avoided.

“ When the Deck Steward is off duty for meals or otherwise, someone should be detailed to take his place so that there may always be a man on duty to attend to passengers.

“ At lunch, tea and dinner times, when the passengers have gone below, the decks should continue to be carefully swept. There should be as little noise as possible throughout the ship, no shouting in the alleyways, and hard soled boots on the part of the deck crew and stewards should be discouraged. Everything should be done to maintain and improve that agreeable atmosphere on board our ships which now characterizes them, and of which, as you know, we have frequent favourable expressions of opinion from our passengers which are always passed on to the Commanders.

“ One of the Purser’s assistants should be detailed to receive letters and telegrams which come on board for passengers as there is great heart-rending if a passenger misses a letter or telegram.

### *Captains as Hosts*

" In a full ship at an intermediate or terminal port there is apt to be a crowd at the Bureau asking for letters. It might be well in such cases for the Purser's assistant, who has charge of the letters, after he has sorted them to distribute them in the Dining Saloon, a notice being put up at the Bureau window stating where they will be distributed as soon as sorted. There have been cases where letters have been handed to cabin stewards for delivery and they have not reached the passengers.

" A list of unclaimed letters and telegrams at the close of the distribution might be made and posted at the Bureau window.

" I am giving instructions to the Agents to put on board with the letters and telegrams a typed list in alphabetical order of the letters and telegrams they deliver to the ships, and this should be checked on board. The Agents are also being asked to tie up the letters and telegrams in bundles according to the alphabetical sequence of addressees' names to save time on board in sorting.

" I would like the passengers to feel that they are the guests of the Company, that they have the same civility and attention paid to them by all on board, including the Stewards and Stewardesses, as if they were visitors in a country house and that the Skipper is a champion host. This will help us to retain the goodwill which we at present enjoy as the premier passenger line to the East, the Far East and Australia.

" I am in Paris for the Suez Canal Meeting on the 18th and in a spare hour here I have tried to put my thoughts into writing for transmission to you. I am sure they will be received in the spirit which prompts them.

" We are going through bad times as you know, and it is essential that we should all work together for the welfare of the Company. It is an immense satisfaction to me to feel that I can rely on the loyalty and devotion of the Captains, Officers, Engineers, Purasers and Staff generally to maintain the high record of the P. & O.

### *Talents in an Interview*

"I hope you won't mind my opening my heart to you in this way and that you won't regard this note as a quite unnecessary homily from a mere landsman !

"With all kind regards,

"I am,

"Yours sincerely,

"INCHCAPE."

Lord Inchcape's talents in an interview were infinitely subtle. His active brain caused him to be impatient with fools—but even with wise and sincere men he could save time in his own way—for time meant achievement to him. Men with vital problems to discuss (for them, their life interest) would find themselves in and then out of his office, satisfied and answered, within five minutes. Other men's eternities were his hours, it seemed. He encouraged neither humbug nor fools. A turn of the quick brain—two or three notes upon a sheet of paper, and the visitor's perplexity was cleared away ; his scheme accepted or rejected. The courage which made James Mackay say "To-night," when he was asked when he could go to India, did not dim during fifty years. Yet the worship of minutes did not make him impatient with little men, providing always that they were efficient. One day he walked into the office of one of his firms and went direct to the counter of the Accounts Department. He wished, he said, to have a statement of his account. The clerk was new and young, and he replied : "Indeed, I won't, until you bring me a letter of authority from Lord Inchcape."

Lord Inchcape turned towards one of the waiting-rooms

## *Lord Inchcape at Seventy-four*

and wrote out the necessary authority. He returned with it and handed it to the clerk.

When he was seventy-four, Lord Inchcape was interviewed by a journalist, who gives us a picture of the office in Leadenhall Street : a picture less affectionate, since the journalist could not know him as a sailor would. "Lord Inchcape does not receive visitors effusively," the journalist wrote.<sup>1</sup> "He greets you politely in measured tones, which still retain a Scottish burr, and waits for you to come to business. He shows, in the most casual conversation, the born diplomat's faculty of making you do the talking. You come away thinking he has told you a great deal. On examination you discover he has told you very little—nothing that he has not wanted to divulge. He is seventy-four, yet his years and white hairs seem incongruities. He still directs the movements of hundreds of great liners and cargo vessels across the oceans of the world, and the manifold activities in all the docks, warehouses and offices connected with them. His energetic enthusiasm, his passion for thoroughness and exactitude wear out his subordinates. They grow stale and dull-minded while this insatiable old man works on steadily, remorselessly, towards his self-appointed achievement.

"His rugged powerful features have yet to learn the expression of defeat. His thin lips have yet to confess that he has despaired. The city knows him only in two moods : as a fighter and as a conqueror.

"He is certainly among the ten richest men in Britain ;

<sup>1</sup> In an article which was published anonymously in many newspapers in Great Britain and abroad.

### *Success and Happiness*

so that the desire for heaping up money cannot longer attract him. It is the elemental love of besting his competitors and opponents, I fancy, which drives him to his office at nine o'clock, or earlier, each morning. By ten he has cleared his voluminous correspondence out of the way, and is ready for the daily battle he so keenly enjoys. If he were forced to retire I believe that idleness would kill him.

" . . . He never hurries in negotiation, though he detests delay in routine ; he waits for the other man to show his hand, though he will not wait a moment once he has glanced at it, and measured its value.

" Though it has softened with the years, his temper remains dictatorial. He is a complete individualist, enterprise, self-reliance, a spirit of adventure are the qualities he admires.

" At one time no shareholder dared ask a question at his companies' meetings, for he either refused an answer or else crushed the inquirer with scorn. Yet he is extremely popular with his thousands of employees, for they know he is personally interested in each one of them. Perhaps his bark is worse than his bite, unless he is determined to show his teeth.

" The 'career' he dreamed of has been abundantly realized, yet still he works on patiently, tirelessly. I wonder if he is happy ? "

Perhaps the journalist had a limited notion of what happiness meant. If there were barriers between Lord Inchcape and the contentment enjoyed by less ambitious men, they were the barriers set up by his own sense of duty and his love of conquest. But this was not all. Although he was

### *His Secretary*

a millionaire, in none of his most personal letters did he ever measure his fortune in figures. He was not money-conscious. This may be surprising to those who view millionaires in terms of ledgers and balance sheets. In many cases, the life story of a rich man is better written by his chartered accountant than by his biographer. But Lord Inchcape cannot be dismissed in this way. His conflicts were his joy and the accumulation of experience was his fortune. Once he said to his secretary : "I must be growing old. No experience is new to me now." One discovers, all the way through the story, little glimpses of the man who was greater than a millionaire or a successful business man. When he thanked his forester for making Glenapp so beautiful for him he revealed the great gentleman who sat within the shrewd financier. And there is one more incident which shows why his servants added devotion to their respect, as their association with him grew old. One day, in the office in Leadenhall Street, a private secretary made a mistake. He had written down the wrong address for an appointment in Lord Inchcape's diary. He lamented the mistake and wished to apologize, but Lord Inchcape had already left the office with the wrong address in his pocket. The secretary sent a note of apology across London, to Lord Inchcape's house. This was the answer which the man received at the office next morning.

"We all make mistakes. I make many—you make few. I am always pleased when my memory is better than yours—it is not often. You are a great help to me."

## *The Habit of Work*

Even if he had wished for leisure, the habit of working was too deep rooted in Lord Inchcape at seventy-five for him to change. The dreamer upon the harbour walls of Arbroath was dead : the millionaire shipowner lived with the activity and tirelessness of an astonishing machine. Four secretaries were necessary to cope with his correspondence. A page of his diary shows with what vigour and punctuality the diligent veteran went about his business. The following were his plans for five days in August of 1927, when most men of his position were on holiday :

"Leave Glenapp 29th.  
Arrive London 30th.  
Leave London P. & O. steamer for Falmouth 31st.  
Arrive Falmouth 1st September.  
Leave Falmouth 9.55 p.m. via Truro.  
Arrive Paddington 7.10 Sunday morning.  
Leave London 11 a.m. Sunday for Paris.  
Leave Paris Monday 3rd Sept. by noon train.  
Arrive London 7.15 p.m.  
Leave London for Glenapp 8 p.m. 3rd."

Even when he arrived at Glenapp there was little respite. When he came in from shooting, the day's telegrams were handed to him at the door and he opened them while his servant was removing his shooting boots. He became so engrossed in answering the telegrams, with immediate decisions, that the servant had to struggle with his feet to unshoe them. He was lost in his work and it did not occur to him to lift his feet from the floor.

He did not seem to understand that others might wish

### *Limitations in His Character*

to live at a more gentle pace, viewing work as a means towards an end : and that end, peace and ease. Men were either active or lazy to him. He was horrified, as the changes of the new century pressed in upon him, to find the working man clamouring for more ease and recreation. "I have looked on *work* as recreation," he told the people of Arbroath. He resolved the new idea of a working week into figures : a week of forty-eight hours' work and one hundred and twenty hours' recreation. The idea shocked him. He had worked for at least ninety-eight hours a week, almost every day, for fifty years. It may have seemed like a platitude when he said : "My experience is that there is no greater pleasure in this world than that which is derived from work." Still more so when he added : "Occupation is the cheapest form of amusement . . . idleness is most expensive." But the dreams of the lotus eater or the flights of the philosopher were not for him. He saw life as a programme of duty and toil, and he believed what he said. His greatness lay within this limitation. He measured his own life and he judged the lives of others as being either successful or not, in comparison with his own. He travelled too quickly to contemplate the mysteries which men who are failures keep within themselves. He had begun life with his character set and rigid and he did not understand the torments and excitements of the other kind of man, whose character is built up slowly, through pain and disappointment and against disastrous circumstances.

## CHAPTER SEVENTEEN

*Lord Inchcape and politics—His hidden influence—His changed feeling for Mr. Lloyd George and his correspondence with Mr. Ramsay MacDonald—His change from the Liberal to the Conservative benches—His relationship with Lord Oxford, and Lady Oxford's letter when Lord Oxford died—His anger over the changing government of India.*

IN NOVEMBER OF 1924 LORD INCHCAPE WROTE TO LADY Oxford : "I am not a politician and I am devoid of any knowledge of the game." The year before he had written to Lord Gladstone : "I have never entered in any political controversy." He often made these boasts, but his other letters show that they were not wholly sincere. There are many records to show that he watched every political move with wide-awake concern : that he often wrote long letters of advice to Ministers and that they trusted his counsel and consulted him in return. His political influence must have been as strong as that of any man in the city. The files of his papers reveal an astonishing, half-hidden chapter of his life in which we see him as something of an oracle, consulted every week almost, upon some political problem or other. Lord Midleton, Lord Maclay, Lord Salisbury and Lord Beauchamp were among those who depended upon him at various times. "You are surely the busiest man alive," wrote Lord Midleton in June of 1924 . . . "but is it possible to get you to come

### *Adviser to Politicians*

forward once more and warn the country of the abyss in which we are drifting about trade ? ” Lord Maclay wrote to him in December of 1923, after one of Lord Inchcape’s letters had been published in *The Times*. He had pleaded his beloved cause of Free Trade. (In this letter, too, Lord Inchcape had stated : “ I am not a politician.”) Lord Maclay wrote : “ I want to send you a line of congratulation . . . you have given expression to what many think but few of us have the power to put so concisely and ably in a letter. I was at a luncheon to-day where Mr. Asquith was present, and he used your letter very freely. He thought it was one of the best statements made relative to the question.”

In July of 1921, when the Safeguarding of Industries Bill was before the House of Lords, Lord Salisbury sought Lord Inchcape’s advice. “ I wonder whether it would be possible for you to let me have—quite shortly—for the information of a few brother Peers, your feeling in respect of the Bill ? ” Lord Beauchamp wrote to him, in November of 1924 : “ I am anxious, if possible, to persuade you to speak about economy in the House of Lords early in the New Year. . . . I do hope that you will agree. . . . The Treasury would welcome any help you gave them in resisting extravagance.” “ Do write another letter—like yr. famous one—on the *folly* of Protection,” Lady Oxford pleaded, in one of her wild, pencilled notes, in March of 1930.

Lord Inchcape may not have been a politician, but, with the use of his gift of subtlety and his capacity to praise, he enjoyed unusual power among those who were professional

### *Relations with Leaders*

politicians. When reading his letters of praise, one might be tempted at first to accuse him of insincerity. "I must say I think you are a marvel . . . you will be regarded as the Saviour of India," he wrote to Mr. Winston Churchill, in June of 1931. "If I may say so," he wrote to Mr. Baldwin, in August of 1928, "there is no man in the country who holds the position which you deservedly do, for brains, for scholarship, for honesty of purpose and for determination to uphold the Empire." He hoped that Mr. Baldwin would "long be spared" to guide the "destinies of this country and the Empire." Lord Birkenhead, too, was a hero. "It is admitted on all hands that you have the most powerful brain in the country," Lord Inchcape wrote to him, when Lord Birkenhead retired from the office of Secretary of State for India, in October of 1928. The little rifts between political parties were not disturbing to a man of Lord Inchcape's peculiar and considered powers of appreciation. He was writing to praise Tory and Labour alike. When he spoke in praise of Mr. Ramsay MacDonald, in November of 1931, he said : "I am safe to say that there is no man in public life to-day more looked up to than he is." In December of 1918 he wrote to Mr. Lloyd George and recalled the events of two years before, when he "happily came into power and took steps which have won the war."

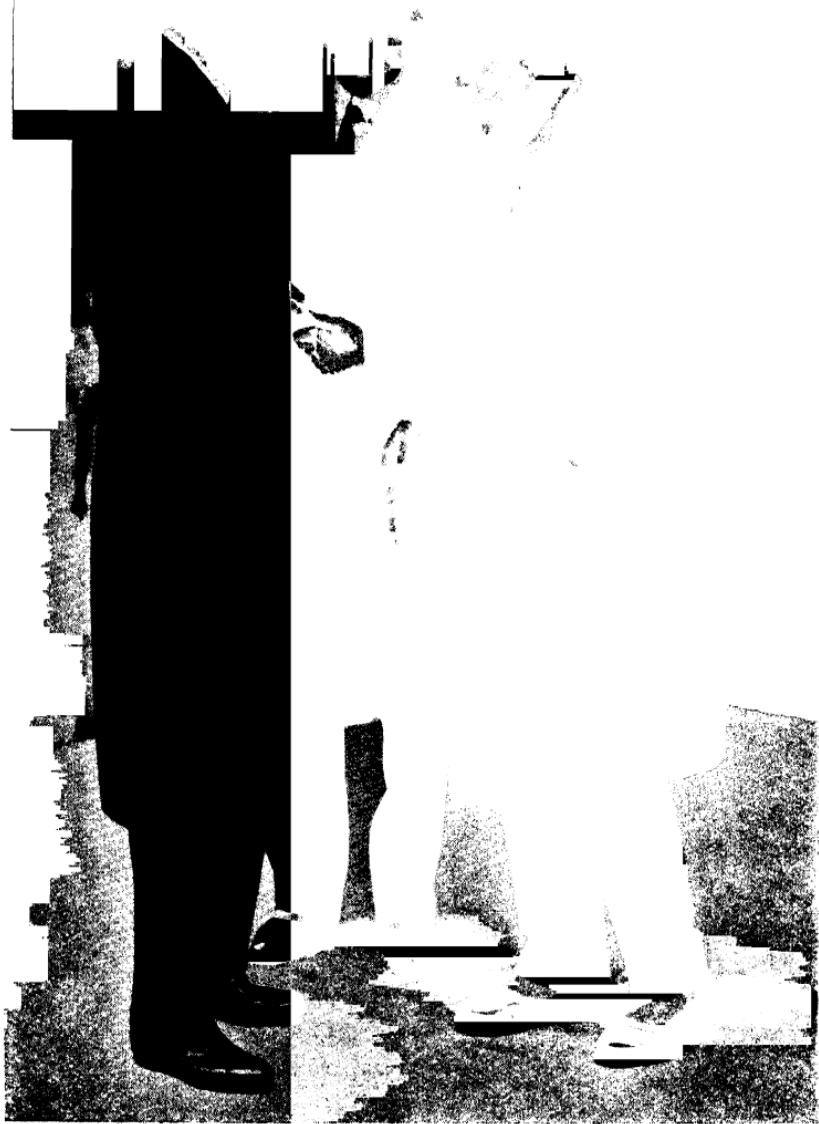
These outward expressions of admiration were not made without a canny, inward criticism, the fruit of which Lord Inchcape usually kept to himself. But there is enough evidence in his letters for us to trace his interesting relationships with the political leaders of his time. In some cases,

### *Mr. Lloyd George*

the relationships changed from affection to mistrust, or from mistrust to affection, but the fluctuations of loyalty were not without reason.

Lord Inchcape served five Prime Ministers. "It has been my privilege," he wrote, in *The Times*, on December 1st., 1923, "to do work for and at the request of many Prime Ministers, including Lord Balfour, Mr. Baldwin, Mr. Bonar Law, Mr. Asquith, and Mr. Lloyd George." Lord Inchcape's experience was therefore unusual. It seems reasonable to suppose that he was able to rise above party prejudice in his final judgments of these men of divided convictions. Perhaps he discovered what they failed to realize themselves: that if their political labels were dissimilar, the motives which lay behind them were happily the same.

It was in December of 1918, when all Britain was dazzled by the declaration of peace, that Lord Inchcape wrote to Mr. Lloyd George, recalling the time when he "happily came into power and took steps which won the war." Eight years wrought a difference in his judgment. In October of 1926 he wrote: "I am fed up with Lloyd George." This was on the occasion when Lord Inchcape crossed the floor of the House of Lords, from the Liberal to the Conservative benches. These alarming days in Mr. Lloyd George's career have already been described in many books. The figure which had governed the excited and terrified country in time of war did not appear the same to Lord Inchcape and to many others when he stood against the duller background of peace. When Mr. Lloyd George announced his notorious land policy, Lord Inchcape



THE LATE LORD READING, SIR HARCOURT BUTLER AND LORD INCHCAPE,  
AT THE OPENING OF THE CONFERENCE OF THE INDIAN DELEGATES



### *Convert to Conservatism*

abandoned the Liberal craft for ever. It offended his principles, for, although he had always boasted Liberal ideas, he obeyed rather his Conservative principles, and the idea of Government control of land was anathema to him. "I entirely agree with every word you say about L.G.," he wrote to Lord Buckmaster, when he announced his intention of crossing the floor of the House. "If he had been in power in the last six months he would have given Cook all he demanded and the coal industry in this country would have collapsed. Now he has got on to a land stunt. The agriculture of the country is to be wrapped up in swathing bands and nursed by Government officials."

The letters which arrived to celebrate his change from Liberalism to Conservatism are amusing. Some were angry : most of them were delighted congratulations from the Conservatives whom he had joined. Lord Kilbracken's letter was the first to arrive.

He wrote :

"I must write to say how much pleased I was to learn from the report of yesterday's debate in the Lords that you have joined the Conservative party. I did so myself, that is to say I began to send an annual subscription to the Conservative Office, three years ago. I did it with very great regret and reluctance, and both then and since it has been a constant vexation, whenever I thought about it, to remember that you and I were on different sides. . . . I do not believe that we differ about anything political, save only this :—you chaff me about not being a free trader ; but I say that I am one, only I can conceive of circumstances in which a tax on some classes of imports might possibly be the least of two evils, and you probably can

### *The Carlton Club*

conceive of on such distinction. . . . It is a real relief to my mind that you have now taken the same step as myself. The Liberal Party, as now run, serves no useful purpose whatever, except that of dividing the anti-Socialists' Vote and letting in Socialists. And Socialism is the negation of Liberalism as Mr. Gladstone understood it, and as I, his humble follower, have always understood it."

The change in Lord Inchcape's political flag involved another journey, from the Liberal haunts to the Conservative preserves of the Carlton Club. Sir William Joynson Hicks seems to have been one of the Conservative leaders who fathered him in this transition. He proposed the convert for the Carlton Club. "It is good and kind of you," Lord Inchcape wrote to him, "but in view of my Free Trade propensities I think it not improbable that I shall be blackballed. However, we shall see." He added again : "I am fed up with Lloyd George." He was not blackballed ; indeed, the Conservatives welcomed him with enthusiasm, and Lord Younger of Leckie wrote to him : "They were delighted to have you . . . you needn't imagine that you are the only Free Trader in that Club. That question never arises and is no test of Conservatism. . . . I saw Beauchamp at the Palace Party on Wednesday, not at all in a happy frame of mind over his Party's difficulties, and apparently expecting many more secessions soon. . . . There is a terrible lack of backbone in the Cabinet."

Two loyalties had kept Lord Inchcape back from his decision : his friendship for Lord Oxford and his devotion to Free Trade. Lord Oxford's resignation

### *Free Trade Principles*

removed the first of these difficulties and, in September of 1931, circumstances caused Lord Inchcape to abandon his Free Trade principles, although, in 1926, he had written to Lord Buckmaster : "I am still a Free Trader and will die one." Now his conversion was absolute, and he said that he did not hesitate, "in the conditions in which Great Britain finds herself to-day, to admit the financial expediency of a tariff for the protection of British industry and agriculture." He went on explaining his position in an article in the *Daily Mail* : "Such a measure would give the arable farmer a new charter and bring back to the land a substantial number of men who are now idle."

Before this change came there was a touch of humour in Lord Inchcape's insistence upon his Free Trade principles. Just as he could not write a letter about politics without adding : "I am not a politician," so he ended almost every letter he wrote as a Conservative convert : "But remember that I am still a Free Trader." When Lord Plymouth wrote to him : "May I send you our 'Whip' ?" Lord Inchcape answered (with the preface : "I am, as you know, not a politician") that he would be quite prepared to receive the Whips, but that, as he continued a Free Trader, perhaps Lord Plymouth would not wish him "to follow the Whip." Lord Plymouth assured him : "I think there are several other Peers who sit on our side who are in exactly the same position, and I am sure no one would consider this a bar to receiving our Whip. . . . I will send you our Whip from now onwards."

The history of Lord Inchcape's changed opinion of Mr. Lloyd George is not as exciting as his conflict with Mr.

*Mr. Ramsay MacDonald*

Ramsay MacDonald. As he sat with the Conservatives, he watched the growing power of the Socialists with concern. To him they were all agents of Bolshevism and disorder and to be reckoned with as a menace. But the concern was tempered with interest. He was something of a Constitutional Sovereign in observing these partisans—Tories, Liberals and Socialists—all working so feverishly to gain personal power. He encouraged them all and flattered them, but in his heart of hearts he favoured none of them overmuch. Lord Inchcape wrote to Mr. Asquith, in 1923, when the influence of the Socialists was becoming still more aggressive and dangerous. He began with his harmless little boast, “I am no politician,” and then he wrote :

“ Presumably Mr. Ramsay MacDonald will be sent for when the present Government is defeated. . . . If it could be arranged to turn him out within a week or two without a dissolution, no doubt you would be asked to form a Government. [Sir Robert] Horne, who is here, tells me he believes the Conservative Party would be only too glad to give you their support. I don’t know whether you would be disposed to accept Office on this understanding. If a Labour Government were allowed to remain in Office for any time they would in all likelihood bring forward proposals to increase old age pensions, alter the life term to sixty, give pensions to widows, help to ex-service men, even if they for the moment dropped the Capital Levy. If they remained in long enough to formulate such proposals and then secured a dissolution it might mean a large accession of votes for Labour. If they were turned out promptly, the King might say, ‘ You have only been in a few weeks and I decline to throw the country into the turmoil of a General

### *A Letter to Lord Reading*

Election so soon.' But if they held on for some months he might find it more difficult to refuse.

"I suppose it would be possible to get them out by a No Confidence vote shortly after they came in, and I venture to put this before you. Now that Protection is dead, there is very little between the Liberal and Conservative Party, and Horne says the latter has complete confidence in you and your ability to give the country a stable Government for some years."

While he was zealous in wishing to guard the country against the *possible* dangers of government under Mr. Ramsay MacDonald, Lord Inchcape was not blind to the mistake it would be to antagonize the Labour leaders who were coming nearer and nearer to the dais of authority. In his address at the Annual Meeting of the shareholders of the P. & O. Company he expressed his "great faith in the sobering effect of responsibility." "I think," he said, "we can trust the common sense of the Labour leaders to keep their wild men in order and not to play the wrecking game."

In June of 1923 Lord Inchcape met Mr. Ramsay MacDonald at dinner, with Lord Morley. He described the scene in a letter to Lord Reading, first telling the sensational story of Lord Curzon's disappointment when the King sent for Mr. Baldwin and asked him to form a Government. "Stamfordham asked Curzon to see him," wrote Lord Inchcape, "and told him the King had decided to send for Stanley Baldwin. Curzon collapsed in his chair with shock. He had formed his Cabinet—so his wife told a friend of mine—and could scarcely believe his ears. He was in a dreadful state for twenty-four hours but recovered

### *Magnate and Socialist*

himself, rose to the occasion and made a magnificent speech at the Carlton Club meeting."

Then Lord Inchcape went on to describe his meeting with Mr. Ramsay MacDonald :

" I was dining with Morley the other evening—two or three only. He is very frail but interested in everything. Ramsay MacDonald was there and he gave him some home truths about a capital levy. He is a decent fellow and from our point of view no better man could be at the head of the so called Labour party. He has to cotton to them to keep his place, but if they ever came into power, and he is the leader, I don't think they will be permitted to go far off the rails. I drove him home from Wimbledon and in our conversation I was agreeably surprised to find how reasonable he is. He said he was bringing the wild socialist labour members to heel. I look upon him as a Whig."

The meeting at Lord Morley's dinner-table opened the way to correspondence between magnate and Socialist, and we find Lord Inchcape writing to Mr. MacDonald, a little time afterwards : " We must arrange to dine and debate together before long." This friendly gesture did not prevent a paragraph of frankness.

" I certainly would not exchange my Premiership of the P. & O. with that of the Prime Minister of England, but you will write me down as a materialist, not a patriot. As for our exchanging our cash, I don't know that I would suffer. I am safe to say you have at the present moment just as much free cash as I have. My possessions are locked up in ships, in banks,

### *Appreciation of Socialists*

in factories, tea gardens, coffee plantations, railways, farms and the like (with a little in the Austrian Loan !) and when your wild men have nationalized everything, the returns will be negligible. But, before then I shall, I hope, be in a place where neither moth nor rust do corrupt, or thieves break through and steal."

A close view softened Lord Inchcape's judgment of the leader of the "wild men." When they invaded Westminster, and when Mr. MacDonald was tasting the soothing wine of power, the tune was changed. "Your only chance of a warm welcome in heaven is that you know some Socialists," Mr. MacDonald wrote to Lord Inchcape. "When you arrive there, laden with your sin and misery, Morley and I will go bail for you and you will be a happy and redeemed soul. . . . So please do not cut us off altogether, but remember that we forgive you all the good things that you enjoy."

Lord Inchcape loosened his fists and allowed himself to "know some Socialists." The change was remarkable, if reasonable. In November of 1924 he wrote to Mr. Philip Snowden, saying that he was "extremely glad" because he had retained his seat in the election. "I am quite sure the business community felt perfectly safe with you as Chancellor of the Exchequer and it is a consolation to feel that you will be in the House to leaven the Bolshevik tendency of some of its extremists." Now the "wild men" were almost Lord Inchcape's friends. He wrote to Mr. J. H. Thomas on the same day, also "extremely glad" because he had been returned to Parliament. "We want moderate and level headed men like yourself," he

### *Lord Oxford*

added. When Mr. Ben Tillett thanked Lord Inchcape for his kind inquiries after an illness in 1921, he wrote : "I want to thank you for the solicitude and good wishes generally that you have afforded me in times of great physical as well as mental distress with a big Cheerio." Lord Inchcape answered : " We want some men like yourself to help the country to get back to a sound economic basis." This campaign of encouragement no doubt increased Lord Inchcape's power among the Socialists, and proved him to be as clever a politician as any of them. Perhaps the close view of a man who was supposed to be a tyrannical capitalist was equally surprising to the Socialists, for they soon came to trust his sense of justice.<sup>1</sup> Mr. Ben Tillett appealed to him, direct, when the dock-workers were discontented over some misunderstanding with a P. & O. ship. Rifts which might have widened dangerously were bridged by an exchange of friendly letters between them.

From the beginning of his friendship with Lord Oxford, Lord Inchcape was full of appreciation of the veteran Liberal leader's talents. It was not only in tactful letters, which he wrote so easily, that Lord Inchcape expressed his admiration. Like so many of his contemporaries he was afraid as well as dazzled by Lady Oxford's talents. He thought her " indiscreet . . . although charming." But there was admiration with his alarm, and his friendship

<sup>1</sup> Although Lord Inchcape and Mr. Ramsay MacDonald became, in a sense, friends, there is no evidence of the Socialist Prime Minister calling upon Lord Inchcape's help on committees, as the leaders of the other parties had done when in power.

### *Lady Oxford*

was as real for her as for her husband, in spite of her “exciting ways.”

In February of 1928, when Lord Oxford died, Lord Inchcape was staying in Egypt, and it was from Helouan that he sent his telegram of condolence to Lady Oxford. She answered him :

“ DEAREST LORD INCHCAPE,

“(I send this letter to London as no one stays very long at Helouan) I have read 1000 telegrams—among them yours,—& opened 1000 letters of which I have merely read the signatures. No one knows better than I do how much you loved Henry—he & I have often spoken of it, as it was a pleasure to him.

“ I have had four weeks of anguish. It is only the Press, the poets, & the priests who write of glorious death etc. They tell us that death sd. be sudden for the sake of those who die ; for me I wd. willingly go thro’ all the suffering again, (just to have him with me—& hear his voice,) but not for him. He was the most sensitive of men, & half his heart was broken by the baseness of his political Party,—the Party he loved, served, & believed in. The other half of his heart was happy & serene. He adored his family, his books, & his friends, & had a triumphant life wh. is given to few.

“ There was not a dry eye at his village funeral, & men were crying in Westminster Abbey. I don’t think 75 is a very old age, & he was strong enough to have lived another 10 years ; but the machine had been over-worked ; it was worn out & his blood-vessels were running unevenly. He & I had a unique partnership—& it is not his love only which I shall miss, but his understanding, fine character, & ability.

“ I will show you the King’s perfect letter to me, Mr. Baldwin’s, & others when we meet. You have always been good and kind to us, & I well remember many a happy time we have

*The India Office*

spent with you. There seems to be no reason for *me* now at all.

"I am going to stay at Eze near Monte Carlo with Consuelo [who was the Duchess of Marlborough] and her husband, Jacques Balsan to write answers to the letters from those who loved him.

"I long to get right away from every-thing, but shall take up life again for the sake of my little son,—never the less I shall always be alone now.—

"Yrs. Affecty,

"MARGOT OXFORD."

In 1924 and 1926 Lord Inchcape made journeys to India, and his political enthusiasms were therefore drawn beyond the little affairs of home. He did not hide his dislike for Mr. Montagu's notions of control at the India Office, and when the Secretary of State apparently planned to run a number of ex-enemy ships as a commercial service for the Indian Government, he wrote :

"September 6th., 1921.

"MY DEAR MONTAGU,

"You have not yet said whether the ex-enemy steamers taken over by the Government of India are to be kept by them and run as a commercial service.

"Strick has been in to me stating his life's work is being taken away by your action. If you intend to go in for ship owning on Government Account Strick says you ought to say so. If you do you will come to certain grief but you perhaps don't mind that.

"Yours sincerely,

"INCHCAPE."

There was no limit to Lord Inchcape's anger, and he did

### *Mr. Gandhi*

not miss an opportunity of showing his feelings, in print, in speeches and in letters. "I don't know what the result of Gandhi will be," he complained to Sir Geoffrey de Montmorency, after Sir Geoffrey had been fired upon, in February. "It looks as if he was practically the Viceroy of India." Few subjects stirred him in all his life as the problem of India did during these years. Journalists who wrote of the country received long letters from him. There is a hint of fanaticism in the way he poured out his correspondence upon all and sundry. "I agree with every word you say," he wrote to Mr. Ashmead-Bartlett, after three of his articles had appeared in the *Daily Telegraph*. "You have saved the country from Bolshevism," he wrote to Lord Rothermere, a little wildly, in October of 1931. "I feel certain you will also save the Indian Empire for the British Crown. . . ."

Lord Inchcape's friendship with Mr. Ramsay MacDonald was now secure enough for him to write his warnings and advice to him, with candour.

"May I venture to lay before you my impression of what will happen in India if we go on as we are going? If I may say so we have pandered to native agitators in a way that has given them the idea that the more trouble they make, the more chance there is of getting rid of the British from the country. . . . Can you arrange for orders to be sent out that the functions of the Viceroy and his Government are to govern and that all attempts to destroy law and order in the country must be put down with a firm hand. . . . I do hope, my dear Prime Minister, it may not be said hereafter that the loss of India to the British Crown came about while you held the reins. I write this with

### *Round-Table Conference*

the greatest diffidence and in the strictest confidence, only for your own eye."

A metamorphosis had taken place since the day when Lord Inchcape wrote of Mr. Ramsay MacDonald as a dangerous menace. Now it was Lord Inchcape himself who wrote letters filled with feverish intolerance. Mr. Ramsay MacDonald had prospered under the "sobering influence of responsibility" and now he had learned how to answer vehement letters. "We are just like one of your boats," he said, rather ambiguously, "navigating strong currents in bad weather and have to show all the arts of seamen. The general outlook is very disturbing. We are in daily contact with the Viceroy. . . . I am sure you must be very badly hit by what is now going on, but when you are moved to write to me, please do not think of diffidence, as you know how much I value your friendship and your opinion."

Lord Inchcape lived long enough to see Mr. Gandhi's personal power on the wane: he lived long enough to forget his old prejudice against the Socialists and to speak of Mr. MacDonald's "outstanding honesty of purpose" and of his "statesmanship and patriotism." He was relieved to find the bogey of Socialism less hideous on close acquaintance, but his old Tory principles were no less rigid for the new experience. He watched the threatened crumbling of capitalist power, under Socialist legislation, with alarm. The files of *The Times* contain the most complete record of his thoughts during the last years of his life, for he was an ardent writer of letters to the editor.

### *Letters to the Editor*

Two of these letters stand out as important keys to his private thoughts. In February of 1924 he was in Ceylon, and he read a letter in *The Times* which displeased him. He answered anonymously :

#### “ IRONY OF LIFE

“ *From another correspondent*

“ I have just come across, in my wanderings, an article by a correspondent in ‘The Times’ of 26th January on the above subject. The writer says ‘Few men go through life without being conscious at some time that their sense of justice is violated by the failure of what they judge to be their lawful claims and hopes.’ All through his article the writer takes a gloomy and pessimistic view of life which I venture to think is rather jaundiced. I have arrived at a good old age, I have had an extremely happy life, I have worked hard but my work has been a pleasure and has added materially to my comfort. I have had perfect health, a good digestion and instead of my sense of justice being violated, I frequently felt that I have had far more good fortune than I deserved. I have had hundreds of friends who have passed away but many still remain. I am blessed with a wife to whom I have been wedded since I was little more than a boy, we have fought life’s battle together, we have children and grandchildren whom we adore and we would both be only too delighted to go through every day of our lives again.

“ Most of us in this world are in a position to do good turns in one way or another to our fellow men, there is no greater pleasure. Some of us are able to scatter as well as to gather, and there again pleasure comes. Worries will occasionally arise, but if these are set aside they generally prove of little account, and if a man can only take a cheerful view of things and throw care to the dogs, he will find life uncommonly agreeable. Contentment, I was taught as a boy, is great gain and those who

### *Fear of Interference*

can 'give gold for silver' in one way or another are described by Whyte Melville in the following words :—' Their grapes are ripe, their harvest is yellow, the sun is already shining on them from the golden hills of Heaven.' "

The mellow note of this letter did not endure. Six years afterwards a dogged patriarch took the place of the kindly old gentleman who asked that man should learn to "give gold for silver." Then, with the threat of Government interference, he clung to his possessions in anger. He wrote again to *The Times* :

" SIR,

" A friend of mine told me the other day that by dint of hard work and economy he found himself possessed of securities worth about £200,000 which brought him an income, after paying taxation, of about £6,500 a year. He had now retired from business and his expenditure was about £5,000 a year. His expectation of life might be put at thirty years and in view of the recent Socialistic legislation he had made up his mind, being a bachelor, to dispose of his securities and place the proceeds in the Bank of England and other Banks on current account, bearing no interest, and to live on his Capital. In this way he said he would be relieved of all the worry he now has from the Tax Commissioners and would be free to go anywhere without being subjected to inquisitive letters.

" I pointed out to him that his heirs, whoever they might be, would in the event of his death be left with less than if he held on to his securities and lived on the income, but he remarked, as the Government would take something in the neighbourhood of a third of the estate by death and succession duties it would make little difference to his legatees if he left only £100,000 instead of £200,000 and he would not be

### *The Rich Man's Burden*

obliged to seek refuge in Jersey, in Ireland or Monte Carlo, to avoid taxation. He also added that if a Socialist Government remained in power, the Income Tax, Super Tax and Death Duties would in all likelihood be increased as the party seemed determined to prevent any saving of money and to exterminate all Capitalists. He said, 'I may be wrong, but I have the conviction that this increase in direct taxation will lead to reduction of private establishments all round, involving further unemployment, reduced purchasing in all retail shops, a curtailment of trade throughout the country, a reduction in receipts by the Government from Income Tax and Super Tax, together with an increased expenditure on the dole. These things will all eventually come home to roost, but in the meantime, France and America are reducing expenditure and lowering taxation.' He added, 'Talk of Nationalization of Industry . . . that is already going on through taxation and all incentive to individual effort is rapidly being killed.'

"I think my friend is probably right ; and I am afraid the Hospitals, supported as they are now, in the main, by voluntary contributions and, as they have been in the past from what is known as 'abundance,' may suffer and that the wells of charity in many other directions may be inclined to dry up.

"All in these islands hitherto have had the opportunity, it may be by brains which have come to them from their Fathers or Mothers, or by example and upbringing, coupled with application, industry and honesty, to achieve what is called success in the world. To quote Kipling, they have their chance, from Duke's son to cook's son. Are we to scrap this and bring our dear old country down to the level of Soviet Russia, where if any one as much as mentions the name of our Saviour or expresses belief in a Divine Creator, he is thrown into prison and shot ? I hope not."

## CHAPTER EIGHTEEN

*The depression which came to shipping after the war—Lord Inchcape's power in the P. & O. Company : his increasing responsibilities as he grew older—The death of his daughter and his growing cynicism—His last appearance as chairman at the Annual Meeting of the shareholders of the P. & O. Company.*

1924-1930

IT IS NOT POSSIBLE TO DETERMINE ALL THE CIRCUMSTANCES which seemed to change Lord Inchcape's character towards the end of his life. The disappointments which came to him with the war, and the task of working harder than ever in the interests of his companies and firms, were perhaps the chief causes of his final cynicism. He refused to delegate these duties, even in his old age. Whether his disappointment was in his experience of life itself or in the material circumstances which had changed, one cannot tell. His speeches and letters became more indignant as he realized that the disorder of peace was as terrible as the disorder of war. He had never been thwarted before and the taste of possible failure was new to him. The affairs of the P. & O. Company kept him to his desk. The bad days which came to shipping after the short post-war boom affected the P. & O. Company very seriously, and Lord Inchcape was chained to his office. He had known the ups and downs of finance, but he was wrong when he said that no experience was

## *Years of Despair*

new to him. His storehouse of knowledge did not help him from 1924 to 1932, when he died. He fought against the invading misfortunes and refused to admit defeat. But these years of despair were a terrible strain upon Lord Inchcape's talents for financial organization, and now, a man of almost eighty years, he worked as hard as when he had been a young man in India. Government appointments and public service were no longer possible for him.

The detailed affairs of Lord Inchcape's finances do not matter in this record, which is the story of a man's life and not of the companies which grew up about him. Hurrying from London to Glenapp, from Paris to Leadenhall Street, he spun a new and less happy philosophy—if the word may be used in connection with a man for whom the abstract was always stuff and nonsense.

When Lord Inchcape talked to the young of the long hours he had worked as a boy, he enjoyed the security of being a great example. He did not pause to remember that he had risen upon the tide: when industrial and commercial life was on the ascendancy. He did not always realize that the rewards for brains and steadfastness in these new times were nothing compared with what they were in his younger days, when, though these qualities were not more rare, the opportunities were much greater—at least, in India.

Others reaped the benefit of Lord Inchcape's long work. He implanted policies into the management of his companies which strengthened them long after his death. He worked for the future and for safety beyond his own time, but he killed himself in doing so.

### *The Role of Patriarch*

As Lord Inchcape grew older and more tired under the weight of affairs in Leadenhall Street, he turned more and more to his family for affection and solace. He liked the noble role of patriarch and benefactor and he found fresh joys in the lives and concerns of his grandchildren. His first real sorrow was the death of his daughter Elsie, who was lost when trying to fly the Atlantic. The uncertainty and horror haunted him. A year afterwards, when he was dining alone with one of his daughters, in silence, he looked up dismally and said : “ I wonder how she *did* die ? ” The last chapter of her life had brought her very close to him, for she had assumed control of the decoration of the ships of his fleet. He had been proud of her work and of her energy. One of his daughters has written : “ It is unusual for a man to live for more than seventy years without the experience of family bereavement. There is no doubt that after Elsie’s death some of the sunshine went out of my father’s heart. I do not think that life was ever the same for him again.” The blessing in his despair was that the romance which had begun in the gardens of Roseley, forty years before, still went on, in complete security and beauty. “ His marriage was an idyll up to the day of his death,” writes his daughter, Lady Effie Millington Drake.

“ We were privileged to have been brought up with such a wonderful example of happiness before us. I cannot recall father even *looking* crossly at my mother—all his career and his honours he was happy to get so that he could lay them at her feet.”

Lord Inchcape was naturally ambitious for his only son, Kenneth. The war had interrupted his young career, but

### *Lord Inchcape's Son*

Lord Inchcape was pleased and assured, towards the end of his life, with the way in which his heir was following him and inheriting his responsibilities. When his son was a small boy, before his schooldays, he used to take him upon the trial trips of new ships, and he seldom went out on the moors without him, even when he was too young to shoot. As he grew up, Kenneth Mackay was able to share his father's love of sport and of the sea and their friendship was strengthened, when they were apart, by long and frequent letters.

In these last years of his life Lord Inchcape enjoyed an unusual position for a self-made man. A list of his honours would be so long, if it were printed, that the reader would be tempted to pass them over. He was elected an Honorary Captain in the Royal Naval Reserve in 1927. He had been a member of the Royal Yacht Squadron for some years and, in 1929, the King elevated him to an earldom. These outward signs of public favour were not capable of touching him deeply now, although he had always enjoyed the prizes of his life with boyish pleasure. The evidences of his disappointment are found in his letters . . . so many of them letters to the newspapers. The years 1929 and 1930 were busy as ever. The P. & O. Company began an ambitious building programme and the first of the 20,000-ton liners bearing the prefix "Strath" to their names took the water. He had no illusions as to the chances he took in sponsoring this building scheme, which has since proved to be so wise. He came back from the shipbuilding yards and the trials to wrestle once more with the less glamorous troubles of his office.

## *Depressed Days of Shipping*

Lord Inchcape's last speeches as chairman of the P. & O. Company are pathetic when we remember that they were the farewell address of a successful man. The voice which had always celebrated achievement and prosperity talked, in 1930, of failure and of the gloomy state of the country's affairs. He complained of the "disturbances, lawlessness and boycott in India." "During a somewhat lengthy experience I have never known trade as bad as it has been during the last two months." Lord Inchcape said :

"The latest figures available show that on the 1st October there were laid up 368 British ships with a total of 885,418 tons, either owing to there being no employment for them, or employment at rates which would be insufficient to cover the bare cost of running. The prospects ahead of shipping are far from bright and despite all efforts to economize and reduce expenditure there has been and continues to be the greatest difficulty in making voyage results show anything except heavy losses. You will have seen from the report that we are building six steamers and you may wonder why in the present condition of trade and shipping we are launching out into new tonnage. I will explain. . . . We have got to look ahead. Some of our vessels are advancing in years, like your Chairman, and it is the policy of the Board to bring forward new and up-to-date tonnage.

"... Taxation is inevitable and we are all prepared to bear our share of the cost of the defence and administration of the country, but the present expenditure is pressing very hardly on industry. A man who earns a good income by means of his brains, industry and application is now called upon to contribute 12s. in the pound for income tax and super tax while he is alive, and the death duties on the savings he may leave behind him absorb in many cases fifty per cent. of his estate. I don't



SHOOTING PARTY, 1911. LORD AND LADY READING IN FOREGROUND. LORD HILL AND  
LORD CHURCHILL BEHIND. LORD INCH APP ON THE RIGHT.



## *Private Enterprise*

suppose there is one of us here to-day who is as well off as he was two years ago, both as to capital and income—and so it will go on unless a halt is called in Government expenditure. This raid on the fruits of industry and thrift, this expropriation of capital which should remain as a source of reproductive trade and national wealth is in itself a sufficient cause of regret. But a worse aspect of the matter is that a large part of this reckless plunder, instead of being applied to intensive reduction of the national debt, is dispensed with too lavish a hand in the payment of doles. The insurance scheme on which it was proposed to base this expenditure has become bankrupt. There are now two-and-a-quarter millions unemployed people in this country, costing us well over two million sterling a week. . . .

“ . . . One admits that, in the hard times through which the country is passing, a measure of relief is necessary and inevitable, but few will be found to dispute that relief which approaches too nearly, and in some instances oversteps the wages level, is, morally and financially, a sin against the people. It is truly a rake’s progress. If this and other expenditure is allowed to go on we shall all be bankrupt before very long and there will be no capital left for industry. You hear it said ‘Down with the capitalists,’ but who is to take their place? Are all industries to be killed? Is private enterprise to go? Are all the banks, insurance companies, factories, railways, steel works, coal mines, ship building yards, shipping, shops and stores to be expropriated and run by Government officials? The whole thing is moonshine. . . .

“ . . . One hears talk about thirty-six or forty hours’ work a week being enough for any one. I am safe to say that, barring a holiday now and again—and I have never been idle even when on holiday—for the last sixty years, in common with many of my friends, I have worked on an average sixty hours a week and am none the worse for it to-day.

“ I remember many years ago Sir Francis Hopwood, as he

## *Self-Government*

then was, now Lord Southborough, telling me that when it was his duty to submit to King Edward some dates for an important ceremony and conference he expressed a fear that they might infringe upon His Majesty's holiday—' Hopwood,' said the King, ' we permanent officials never have a real holiday. We are on duty all the time—day and night.' This is still perfectly true. If I may venture to say so the future of this country is, to a great extent, in the hands of the leaders of Trades' Unions. Let us trust that they will realize the economic position of the country in the arena of international competition. If they don't, we shall come to grief, and they and all their members will share in the disaster.

"I believe that the adoption of a more wholesome policy would instantly prove that the heart of the people is sound. Sometimes when I drive through London and see the hundreds of vehicles bearing the names of their owners and the articles they manufacture ; the crowds of quiet, decent people going to and from their work ; the orderliness of the streets, the regulation of the huge traffic, in which every citizen seems to co-operate with the good-will and intelligence of a special constable, I wonder at the unique qualities of self-government which our people have evolved as a contribution to the liberty and security which we continue to enjoy. I don't believe for a moment that we shall ever fall into the abyss of communism or exchange our civilization for such a condition as that which exists in Russia to-day. . . ."

## CHAPTER NINETEEN

*The emotion of gratitude—Lord Inchcape's recollection of early friends—His letters to Lord Kilbracken, Lord Reading and to the clerks with whom he had worked in Bombay.*

POWERS AND HONOURS NEVER OVERGREW CERTAIN SIMPLE virtues in Lord Inchcape. The bundles of his letters show that gratitude was one of the few emotions he encouraged in himself, especially in the later years : the years of indignation and distress over the adversity which came to his shipping interests. Those who lived with him from day to day have said that he seldom indulged in the sentimental pleasure of reminiscence : that he always talked of the present and of the future. But it seems that he hid something from them. Among his papers is a file of personal letters which show another side : they show the older man remembering his friends and thanking those who had guided him and helped him when he was young. He would sometimes sit alone at Glenapp, turning over the old letters which had accumulated about him. He allowed himself a little sentimental self-indulgence in the autumn of his time. He had always been so efficient, so time-conscious and so ruthless in casting fuss and emotion aside that it was perhaps surprising, even to himself, that he should sit still, turning over the pages and recalling the scenes that the old letters reawakened for him. He weakened and permitted himself this pleasure again and again.

### *Kindness to Old Friends*

The feeling stirred in him was the rare emotion of gratitude.

Away back in 1871, when young James Mackay had been a clerk in Gellatly's office, in London, he had been in charge of the manifests of the Messageries Maritimes Company, whose London agent was M. Estrine, lately come to London from Marseilles. James Mackay was a poor French scholar, and he sometimes made mistakes in deciphering the writing of French clerks on the bills of lading. What he called "that terrible French *s*" was often his downfall. One day M. Estrine sent for him and said that as his French was so shaky it would be well for him to take his next holiday as a guest of the Messageries Maritimes and make the journey to Marseilles. James Mackay had sailed away from London on his holiday in the *Indus*.

Fifty-five years had passed since then and Lord Inchcape was sitting in his room at Glenapp, allowing himself the new luxury of remembering. M. Estrine was, of course, dead. But his son-in-law was in Marseilles and, by chance, he was the agent for the P. & O. Company. Lord Inchcape knew him well, and one evening, after dinner, he linked the incident of 1871 with the agent of Marseilles, whom he always saw on his way home from the East. He took up his pen and wrote to M. Brenier :

" As years roll on, memories come back, and I was telling my wife at dinner to-night that fifty five-years ago, before you were born, your dear old father-in-law, then agent of the Messageries in London, when I was a clerk in Gellatly's office, gave me a passage by a Messageries steamer to Marseilles and back in the

### *Reminiscences*

*Indus.* . . . There was no passenger cabin in the *Indus*. I had a hammock swung over the table in the officer's dining saloon. . . . I spent the most of my time on the bridge—an education.

"And now, here you are Agent of the P. & O., in Marseilles, (and a good agent, too,) and the kindness which I had from your father-in-law I would like to send on to your son, who I understand is going to London, or has gone, to pick up English. When you and I have gone, I would like him to carry on for the P. & O. Company as you have done and are doing, and anything I can do to help him, as your father-in-law did to help me, and as you are doing, and have done, for the P. & O., will give me infinite pleasure.

"I am sure you won't mind my opening my heart to you in this way but I feel we are infinitely indebted to you and I would like to carry on the traditions begun more than half a century ago. . . ."

It was only in Scotland that this mood of reminiscence conquered him. He even began to dictate some notes on his early life, but they were agitated and shorn of detail and colour . . . the recollections of a man used to writing short business letters. In the lower drawers of his desk he placed bundles of letters from Lord Lansdowne and Lord Kilbracken. He had written to Lord Lansdowne, some years earlier :

"I feel I must inflict a line upon you to thank you for all the honours which have come to me through your having taken me by the hand twenty years ago. To you I am indebted for them all and I reckon it a great privilege to have the friendship of one for whose transcendent ability lofty character and kindness of heart I have the highest esteem. My wife joins

### *Gratitude*

with me in thanking dear Lady Lansdowne and yourself for all you have done for us.

“ Yours devotedly ”

Perhaps Lord Inchcape was not always working as busily as he pretended when he retired from his guests to the quiet of his beautiful room. His letters suggest that there were many hours of musing in his chair. One day he had all Lord Lansdowne's letters copied and sent them to Lord Kilbracken. “ You might like to read them,” he wrote :

“ It was he who suggested to you that I might be co-opted for the Indian Council and I remember seeing your favourable reply to him. I have always felt myself indebted to you for the opportunities I have had in the last quarter of a century which have culminated in the last week and I would like to express my gratitude which I most sincerely do.

“ To save you trouble I enclose an envelope in which kindly return the Lansdowne correspondence.”

When Lord Rawlinson's biography was published, after his death, Lord Inchcape received his copy at Glenapp. He usually hurried through his letters and seldom bothered to read a book if it came in the post. This day he stayed beside his desk for two hours, reading the life story of his friend. Then he wrote to Lord Reading :

“ MY DEAR READING,

“ I have been reading Lord Rawlinson's life and the kind things he says about me recall that interesting time I spent in Delhi, the fights and friendship with him and all the marvellous support and kindness I received from you. I had forgotten a



JEAN COUNTESS OF INCHCAPE AT GLENAPP 1935

Compton C



### *Indian Clerks Remembered*

good deal about our battles but Rawly's life brings them back and I must send you a line to express from the bottom of my heart my gratitude for all you did for me to make my task easy and for the kindness we received from yourself and Lady Reading and in this my wife joins : so would poor little Elsie if she were here. Excuse this outburst regarding a past and pray don't trouble to answer it.

“ Yours always,  
“ INCHCAPE.”

The gratitude was not only for those who had helped him. One day, at Glenapp, Lord Inchcape opened a drawer and came upon an illuminated address which had been given to him by the Indian clerks who had worked under him in Bombay forty-seven years before. In two fantastic sentences, the first of 104 words and the second of 118 words, the Indians had bemoaned his departure for Calcutta. One of the sentences might be quoted :

“ It is neither meet nor necessary that we should recapitulate here all the qualities of your mind and heart which have rendered you an object of esteem and respect among all those who have served you ; but, with the highest conceptions of the virtue and acumen of the gentleman who succeeds you, the firm loses one to whom it owes the prosperity and reputation which it enjoys and we one whose clearness of judgement and powers of appreciation have won for himself our entire confidence, and in whom is blended, in happy harmony, a formidable strength of mind with a spirit of magnanimous forbearance.”

Lord Inchcape took the address from the drawer and ordered it to be framed and hung in his room. Then he wrote a letter to the manager of his firm in Bombay :

## *Bombay Recalled*

“ **MY DEAR HADDOCK,**

“ In clearing up some of my drawers, I have come across an address from my Indian Clerks dated 8., March, 1884, when I left Bombay for Calcutta. It’s a long time ago now, 47 years. I send you a copy of it, but I am afraid most of the signatories have gone over to the majority. Perhaps, however, you could find some of the signatories or their belongings and give each of them, to my debit, a tiny acknowledgement, of Rs. 100/- each, of my appreciation of their kindly send-off and their good wishes, which have matured. I am having their address framed and will put it up in my room at our Scottish home at Glenapp. It has been a great pleasure to me to unearth and to read after forty seven years the account of the affectionate relations which existed between our Indian staff and myself.”

## CHAPTER TWENTY

*Lord Inchcape's illness, his courage, and his last speech, read to the shareholders of the P. & O. Company—His death at Monaco.*

1931-1932

TOWARDS THE END OF NOVEMBER, 1931, LORD INCHCAPE had entertained a large house-party for pheasant shooting at Glenapp. He went south with his guests and after fulfilling several dinner engagements, he went north again to Glasgow for the trials of the new P. & O. steamer *Carthage*. The weather was vile, but he had insisted upon his usual careful examination of the new ship. After the trials he returned to Glenapp, very tired, spent the week-end there and travelled to London the following Tuesday. He became ill on the journey, and when the train arrived at Euston, he was found in his sleeping berth, almost helpless. A doctor was called as soon as he arrived home and Lord Inchcape's life was saved for the moment. The tired machine of his body made its last protest and, during the five months of life which were left to him, he slowly grew weaker. His son, who was abroad on P. & O. Co.'s business, was wired for. The speech which Lord Inchcape had prepared for the P. & O. Company was read by his son-in-law, the Hon. Alexander Shaw. It opened with grave phrases describing the depressed state of shipping and of trade. There was a reduction in the dividend on the deferred stock and a

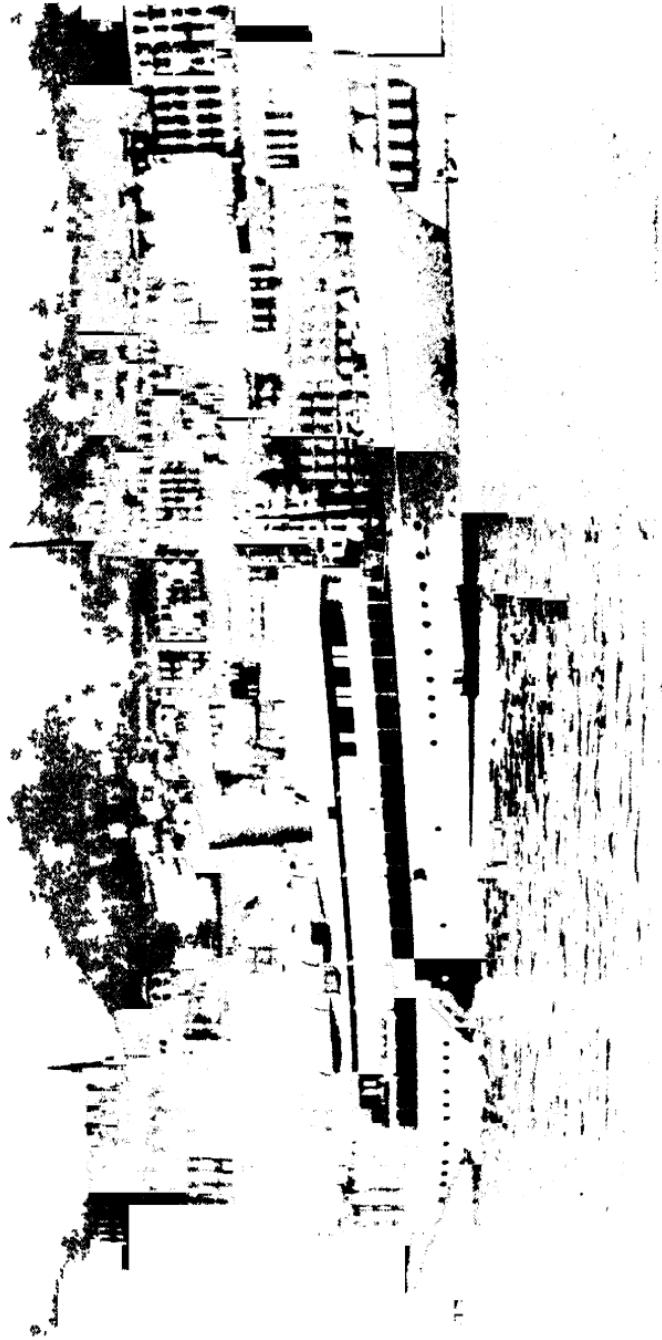
### *A "Different" Chairman*

reduction of 10 per cent in the pay of the staffs, afloat and ashore. "I have never known such a period of depression as that through which we have passed in the last eighteen months," he had written. "It has been heart-rending to see the steamers leaving London, week after week . . . with thousands of tons of unoccupied space—so different from the old days." He told of his old hates : Bolshevism, Communism and Government control of business.

At the end, Mr. Shaw said : "I have now worked for a great many years, in one capacity or another, in close touch with and under Lord Inchcape, and the more I see of him the more I marvel at the wonderful combination of broad vision and genius for detail which he possesses. I do not believe any other man in the country to-day possesses these qualities to the same degree. . . . To work with him and to know him is an inspiration."

When Mr. Shaw ended his speech, a stockholder stood up and asked that a special message of sympathy should be sent to Lord Inchcape . . . he thought that "His Lordship was looked up to by the stockholders in a way quite different to that of most chairmen."

Leadenhall Street could not pause to commiserate for very long. The old chief was dying and new problems demanded new blood. The clouds were rolling up and the fierce, determined old man watched the fading world from his yacht in the South of France. He had gone there to nurse his strength and to ward off the end. He made his courageous essays at liveliness—fifteen minutes' gambling in the casino or a short walk on deck. He talked



ROIER AT MONTE CARLO



### *His Last Duties*

his old sailor talk with the crew and he mopped the deck or rose to his old fine fury because a piece of brass was not glinting in the sun as it should. He exchanged notes with Sir Basil Zaharoff, and friends came on to the yacht to tell him of what was happening in England. News came of his re-election as vice-commodore of the Royal Thames Yacht Club. It was the last compliment paid to his love of the sea. Early in May he seemed, for a few days, to be stronger. Mr. F. A. Hook, who had served him on so many personal missions, went to stay with him on the yacht on May 2nd, and five days afterwards he sent a report to Leadenhall Street saying that Lord Inchcape had shown "a steady daily increase of activity." Mr. Hook's report was sent to London and in it he outlined Lord Inchcape's average day on the yacht.

" His routine now consists of breakfast in his room at 8 a.m., followed by examination and minuting of his mail. At ten o'clock onwards he is engaged with his secretary, answering letters or dictating business instruction for the day's outward post. At 10.45 he goes ashore and takes a long motor drive with Lady Inchcape until 12.30 when he returns to the ship for lunch in the dining-room. Following an afternoon rest he has a walk on deck and takes tea at 4.30, usually with one or two guests. The intervening hours until 7.45 are occupied by reading, perhaps a table game with Lady Inchcape, some music and a short rest before changing for dinner. This is followed by talk and music, and at 10.15 he retires for the night and sleeps soundly.

" His appetite is good, he is putting on weight, is

### *The Last Day*

regaining his normal colour, and is in excellent spirits."

This cheerful report made everybody hope for recovery, but the hope was not to last. One cannot avoid pausing to wonder at this record of the day of a dying man. The daily mail-bag still arrived from Leadenhall Street : the affairs of the company were still tightly clenched in his hands. He was still director or chairman of over forty companies, and he held these responsibilities magnificently, to the end.

Even with the care of a doctor and two nurses pressed upon him, the last day of his life was as any other. He rose early and the inevitable mail-bag was brought to him. When his servant went to call him, he found him already working, in dressing-gown and pyjamas. The pile of letters was cleared away and the long reports from Leadenhall Street and Bombay and Port Said were initialled, with the little pencilled "I," which showed that he had read them through. He sat on deck with his wife, and as he talked, he admired the view from the yacht and said that there could be no more beautiful place in the world than Monte Carlo.

He ate his luncheon punctually at one o'clock. Convalescence did not permit one deviation from his timetable. He turned to the steward when he had finished and he said : "I enjoyed my luncheon to-day." Then came his glass of port and his cigarette. When he turned to climb the companion-way he shook off the steward who stepped forward to help him. "No, I am quite all right," he said. But they followed at his heels, Lady Inchcape,



AT COWES, 1931

Vandyk



### *Death*

the nurse and the steward. At the top of the companion-way, as Lord Inchcape was going into his cabin to rest, the steward asked him if he might have the afternoon "off." Lord Inchcape answered; "certainly," and then he went into his cabin and sat on the bed. While his servant was helping him to undress he fell back, silently. His heart had failed and he was dead.



A DIARY OF THE CHIEF SERVICES  
AND HONOURS OF THE  
FIRST EARL OF INCHCAPE.

1852. James Lyle Mackay born. Arbroath.  
1864. A scrivener in a lawyer's office in Arbroath.  
1865. A clerk in the office of a rope and canvas maker.  
1874. Sails for India as a clerk to Messrs. Mackinnon MacKenzie and Company.  
1889-93. President of Bengal Chamber of Commerce.  
1891. Sheriff of Calcutta.  
1891. Invested with C.I.E. "in recognition of extension of commercial relations between England and India."  
1891-3. Member of Legislative Council of Viceroy.  
1892. Chairman of Indian Currency Association.  
1894. Created K.C.I.E. (Currency Reform.)  
1897-1911. Member of Council of India, Whitehall.  
1898-9. Served on Committee for increasing commercial intelligence provided by the Board of Trade.  
1901-2. Special Commissioner and Plenipotentiary for commercial treaty with China.  
1902. Created G.C.M.G. (China treaty.)  
1903. President of Chamber of Shipping of the U.K.  
1903. Served on Committee for improving consular service.  
1903. Served on Secretary of State for India's Committee to inquire into the expediency or otherwise of retaining Cooper's Hill College, a seminary originally instituted by the Hon. East India Company for the training of recruits for its staff in India.  
1903. A representative of the Government in Conference

## *Chief Services and Honours*

- with Governments of U.S.A. and Mexico *re* introducing gold standard into China and Mexico.
- 1903-4. Served on Lord Jersey's Committee *re* Board of Trade.
1906. Member of Committee of Board of Agriculture to inquire whether preference was given by English railways to produce from abroad conveyed over English lines.
- 1905-7. Member of Committee appointed by Treasury *re* Government workshops.
- \*1906-7. Member of Committee appointed by Treasury to consider advisability of National Indemnity for ships in time of war. (See 1914.)
- 1907-8. Chairman of Secretary of State for India's Committee *re* Indian railways.
1910. Created K.C.S.I. Member of Secretary of State for India's Committee *re* Military Family Pension Fund.
1911. Went to India to settle disputes for the Secretary of State between railway board and railway companies.
1911. Created Baron Inchcape of Strathnaver, on his retirement from India Council after just under fifteen years' service.
1912. Appointed member of Committee to inquire into organization of Department of the Controller of the Navy.
1913. Became Vice-President of Institute of Shipbrokers.
- \*1914. Member of War Risks Advisory Committee.
- 1914-19. Chairman of Committee *re* rates of hire for Government vessels.
1915. Member of Committee on Food Production.
1915. Chairman of Port and Transit Committee (to expedite unloading of vessels in British ports).
1917. Member of Imperial Defence Committee.
1917. Subscribed, through companies, friends and himself, £9,279,330 to National War Loan.
1918. Member of Lord Cunliffe's Committee on currency question.

\* Ante.

## *Chief Services and Honours*

1918. Chairman of Contracts Committee.
1918. President of Imperial Association of Commerce.
1918. Again elected President of Chamber of Shipping of the U.K.
- 1918-21. Chairman of Government's Committee of Inquiry into banking amalgamations as affecting public policy.
1918. Member of Casual Labour Committee.
1918. Chairman of Treasury's Committee *re* purchasing gold direct from mines.
- 1918-23. Chairman of Treasury's Committee to control bank amalgamations.
1919. Re-elected President Chamber of Shipping. (1903, 1918-20.)
1919. Member of Air Ministry's Advisory Committee on Aviation.
1919. Member of Commercial Intelligence Committee.
1919. Sold Government standard ships. Realized £35,000,000 for Exchequer, at sales cost of £850.
1920. Disposed of ex-enemy ships. Realized £20,076,216 at sales cost of 2s. 7 $\frac{3}{4}$ d. per £100.
- 1920-1. Went to India to sell Mesopotamian war craft. Realized £1,080,000.
1921. Made a member of the Royal Yacht Squadron.
1921. President of Income Tax Payers' Society.
- 1921-2. Member of Sir Eric Geddes' Economy Committee.
- 1921-3. Sold prize vessels for Government. Realized £657,519 at sales cost of 6d. per £100.
1922. Made Chairman of London Committee of Suez Canal Company of Paris.
1922. Received Freedom of Arbroath. Gave £26,500 to Arbroath Council for seamen's dependents.
- 1922-3. Went to India at the invitation of the Indian Government to preside over deliberations of Indian Retrenchment Committee. Bore his own expenses. As a result budget

### *Chief Services and Honours*

deficits were replaced by surpluses during the succeeding four years.

- 1923. Member of Shipowners' Parliamentary Committee.
- 1924. Created Viscount. (War and public service.) G.C.S.I.
- 1924. Invested with Hon. LL.D. at St. Andrew's University.
- 1926. Elected President of General Council of International Shipping Federation.
- 1927. Sold prize vessels for Government. Realized £75,000.
- 1927. Made Hon. Captain, R.N.R.
- 1929. Created Earl of Inchcape.
- 1932. Died on Yacht *Rover* at Monaco, May 23rd.

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